

Abu Dhabi National Takaful Company P.S.C.

INTERIM CONDENSED FINANCIAL STATEMENTS

31 MARCH 2025

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF

ABU DHABI NATIONAL TAKAFUL COMPANY P.S.C.

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Abu Dhabi National Takaful Company P.S.C. (the "Company") as of 31 March 2025, and the related interim condensed statements of profit or loss, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of this interim statements in accordance with International Accounting Standard 34, "*Interim Financial Reporting*" ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information performed by the Independent Auditor of the Entity*". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it 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.

Other Matter

The financial statements of the Company for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on 27 March 2025. The interim condensed financial statements of the Company for the three-month period ended 31 March 2024 were reviewed by another auditor who expressed an unmodified conclusion on those interim condensed financial statements on 15 May 2024.

Conclusion

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

For Ernst & Young



Walid J Nakfour
Registration No: 5479

14 May 2025
Abu Dhabi, United Arab Emirates

Abu Dhabi National Takaful Company P.S.C.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

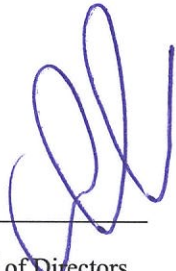
As at 31 March 2025

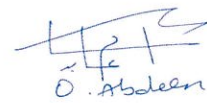
		(Unaudited) 31 March 2025 AED	(Audited) 31 December 2024 AED
	Notes		
ASSETS			
Takaful operations assets			
Re-takaful contract assets	10	427,257,549	459,140,782
Takaful contract assets	9	-	10,584
Prepaid expenses and other assets		33,664,533	24,458,416
Unit linked investments at fair value through profit or loss		-	393,337
Term deposits	4	369,769,324	412,064,840
Cash and cash equivalents	4	72,161,630	137,347,595
Total takaful operations assets		902,853,036	1,033,415,554
Shareholders' assets			
Property and equipment		19,218,771	19,706,474
Right of use assets		9,427,267	9,920,554
Investment properties		41,115,000	41,115,000
Statutory deposit	5	10,000,000	10,000,000
Deferred tax asset		-	209,989
Prepaid expenses and other assets		24,729,953	31,855,695
Financial assets measured at fair value through other comprehensive income	6	455,408,605	348,325,400
Financial assets measured at amortized cost		10,283,000	10,283,000
Investment in commodities	8	36,193,316	30,804,570
Term deposits	4	2,000,000	2,310,000
Cash and cash equivalents	4	12,843,898	19,244,696
Total shareholders' assets		621,219,810	523,775,378
TOTAL ASSETS		1,524,072,846	1,557,190,932
LIABILITIES, POLICYHOLDERS' FUND AND SHAREHOLDERS' EQUITY			
Takaful operations liabilities			
Takaful contract liabilities	9	797,205,014	839,280,880
Re-takaful contract liabilities	10	19,850,860	47,842,661
Accrued expenses and other liabilities		36,888,184	32,930,563
Total takaful operations liabilities		853,944,058	920,054,104
Shareholders' liabilities			
Provision for end of service benefits		14,238,984	13,989,707
Lease liability		9,571,507	9,501,999
Deferred tax liability		821,399	-
Income tax payable		9,309,916	7,193,212
Accrued expenses and other liabilities		117,377,842	111,863,622
Total shareholders' liabilities		151,319,648	142,548,540
Total liabilities		1,005,263,706	1,062,602,644

Abu Dhabi National Takaful Company P.S.C.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION continued
As at 31 March 2025

		(Unaudited) 31 March 2025 AED	(Audited) 31 December 2024 AED
	Notes		
Policyholders' fund			
Deficit of family policyholders takaful fund	11	(7,375,230)	(8,058,376)
Deficit of general policyholders takaful fund	11	(27,602,785)	(27,884,783)
Loan (Qard Hasan) from shareholders	11	<u>34,978,015</u>	<u>35,943,159</u>
Total Policyholders' fund		<u>-</u>	<u>-</u>
Shareholders' equity			
Share capital		105,000,000	105,000,000
Legal reserve		52,500,000	52,500,000
General reserve		42,500,000	42,500,000
Re-takaful default reserve		10,067,414	10,067,414
Investment revaluation reserve		(58,894,796)	(55,650,672)
Retained earnings		<u>367,636,522</u>	<u>340,171,546</u>
Total shareholders' equity		<u>518,809,140</u>	<u>494,588,288</u>
TOTAL LIABILITIES, POLICYHOLDERS' FUND AND SHAREHOLDERS' EQUITY		<u>1,524,072,846</u>	<u>1,557,190,932</u>


Khamis Buharoon
Chairman of the Board of Directors


Osama Abdeen
Chief Executive Officer

The attached notes 1 to 25 form part of these interim condensed financial statements.

Abu Dhabi National Takaful Company P.S.C.

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS

For the three-month period ended 31 March 2025

		<i>Three months ended 31 March</i>	
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
		<i>2025</i>	<i>2024</i>
	<i>Notes</i>	<i>AED</i>	<i>AED</i>
Attributable to policyholders			
Takaful revenue	14	203,423,107	189,625,018
Takaful service expense		(184,129,509)	(166,345,296)
Allocation of re-takaful contributions paid		(115,574,969)	(103,930,310)
Amounts recovered from re-takaful contracts		<u>95,492,463</u>	<u>75,153,848</u>
Takaful service result		(788,908)	(5,496,740)
Investment income		5,110,703	6,355,272
Mudareb share	12	(1,788,746)	(2,224,345)
Takaful finance expenses for takaful contracts issued		(8,426,694)	(2,663,712)
Re-takaful finance income for re-takaful contracts held		<u>6,826,128</u>	<u>1,594,280</u>
Net financial takaful result		1,721,391	3,061,495
Other income (expenses), net		<u>32,661</u>	<u>(1,266,545)</u>
Surplus / (deficit) of takaful result for the period		<u><u>965,144</u></u>	<u><u>(3,701,790)</u></u>
Attributable to shareholders			
Shareholders' investment and other income, net	15	10,435,902	9,057,966
Mudareb share from policyholders	12	1,788,746	2,224,345
Wakalah fees from policyholders	12	52,450,672	55,344,114
Takaful expenses		(17,990,027)	(19,570,965)
General and administrative expenses		(17,529,784)	(17,244,176)
Loan (Qard Hasan) recovered from / (paid to) policyholders		<u>965,144</u>	<u>(3,701,790)</u>
Profit before tax		30,120,653	26,109,494
Income tax expense		<u>(2,606,549)</u>	<u>(2,079,578)</u>
Profit for the period	18	<u><u>27,514,104</u></u>	<u><u>24,029,916</u></u>
Basic and diluted earnings per share	13	<u><u>0.26</u></u>	<u><u>0.23</u></u>

The attached notes 1 to 25 form part of these interim condensed financial statements.

Abu Dhabi National Takaful Company P.S.C.

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended 31 March 2025

	<i>Three months ended 31 March</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Profit for the period after taxation	27,514,104	24,029,916
Other comprehensive income:		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Change in fair value of equity investments measured at fair value through other comprehensive income, net of income tax	(4,600,813)	(1,889,860)
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Change in fair value of sukuk investments measured at fair value through other comprehensive income, net of income tax	<u>1,287,562</u>	<u>(265,660)</u>
Total other comprehensive loss for the period	<u>(3,313,251)</u>	<u>(2,155,520)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>24,200,853</u>	<u>21,874,396</u>

The attached notes 1 to 25 form part of these interim condensed financial statements.

Abu Dhabi National Takaful Company P.S.C.

INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY For the three-month period ended 31 March 2025

	Share capital AED	Legal reserve AED	General reserve AED	Re-takaful default reserve AED	Investment revaluation reserve AED	Retained earnings AED	Total AED
Balance at 31 December 2024 (audited)	105,000,000	52,500,000	42,500,000	10,067,414	(55,650,672)	340,171,546	494,588,288
Profit for the period	-	-	-	-	-	27,514,104	27,514,104
Other comprehensive loss for the period	-	-	-	-	(3,313,251)	-	(3,313,251)
Total comprehensive income for the period	-	-	-	-	(3,313,251)	27,514,104	24,200,853
Loss on disposal of financial assets classified at FVTOCI, net of tax	-	-	-	-	69,127	(49,128)	19,999
Balance at 31 March 2025 (unaudited)	105,000,000	52,500,000	42,500,000	10,067,414	(58,894,796)	367,636,522	518,809,140
Balance at 31 December 2023 (audited)	105,000,000	52,500,000	42,500,000	7,627,958	(53,578,630)	295,402,196	449,451,524
Profit for the period	-	-	-	-	-	24,029,916	24,029,916
Other comprehensive loss for the period	-	-	-	-	(2,155,520)	-	(2,155,520)
Total comprehensive income for the period	-	-	-	-	(2,155,520)	24,029,916	21,874,396
Loss on disposal of financial assets classified at FVTOCI, net of tax	-	-	-	-	4,004,981	(3,889,957)	115,024
Balance at 31 March 2024 (unaudited)	105,000,000	52,500,000	42,500,000	7,627,958	(51,729,169)	315,542,155	471,440,944

The attached notes 1 to 25 form part of these interim condensed financial statements.

Abu Dhabi National Takaful Company P.S.C.

INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2025

	<i>Three months ended 31 March</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
OPERATING ACTIVITIES		
Profit for the period	30,120,653	26,109,494
Adjustments for:		
Depreciation of property and equipment	490,848	474,494
Depreciation of right of use asset	493,287	-
Investment and other income	(10,157,859)	(15,413,238)
Net movement in provision for end of service benefits	249,277	(146,068)
Takaful finance expense	8,426,694	2,663,712
Retakaful finance income	(6,826,128)	(1,594,280)
Finance cost on lease liability	69,508	-
Movement in fair value of commodities	(5,388,746)	-
Gain on disposal of investment properties	-	(50,000)
Operating profit before movements in working capital:	17,477,534	12,044,114
(Increase)/decrease in prepaid and other assets	(2,080,375)	4,687,681
Decrease/(increase) in re-takaful contract assets	38,709,361	(50,923,518)
Decrease/(increase) in takaful contract assets	10,584	(2,473,003)
Decrease in unit linked investments	393,337	477,869
Decrease in takaful contract liabilities	(50,502,560)	(23,283,098)
(Decrease)/increase in re-takaful contract liabilities	(27,991,801)	1,400,126
Increase/(decrease) in accrued expenses and other liabilities	9,471,840	(3,560,508)
Net cash used in operating activities	<u>(14,512,080)</u>	<u>(61,630,337)</u>
INVESTING ACTIVITIES		
Net movement in investments	(109,850,052)	13,518,754
Purchase of property and equipment	(3,145)	(26,741)
Proceeds from sale of investment properties	-	1,600,000
Investment and other income received	10,172,998	15,413,238
Net movement in term deposits	<u>42,605,516</u>	<u>20,073,749</u>
Net cash (used in) generated from investing activities	<u>(57,074,683)</u>	<u>50,579,000</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(71,586,763)	(11,051,337)
Cash and cash equivalents at the beginning of the period	<u>156,592,291</u>	<u>80,773,151</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>85,005,528</u>	<u>69,721,814</u>

The attached notes 1 to 25 form part of these interim condensed financial statements.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

1 CORPORATE INFORMATION

Abu Dhabi National Takaful Company PSC (the “Company”) is a public shareholding company which was incorporated in Abu Dhabi, United Arab Emirates (“UAE”) on 16 November 2003. The Company is registered 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 on Establishment of Insurance Authority, and is registered in the Insurance Companies Register of the Central Bank of the UAE (“CBUAE”) (formerly, the UAE Insurance Authority (“IA”)) under registration number 071.

The interim condensed financial statements of the Company for the period ended 31 March 2025 has been authorised for issue in accordance with a resolution of the Board of Directors on 13 May 2025.

2.1 BASIS OF PREPARATION

The interim condensed financial statements for the three-month period ended 31 March 2025 has been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”).

The interim condensed financial statements do not contain all information and disclosures required in the annual financial statements prepared in accordance with the IFRS Accounting Standards and should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2024. In addition, results for the three-month period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The interim condensed financial statements are presented in UAE Dirhams (AED) being the functional and presentation currency of the Company.

The interim condensed financial statements has been prepared on the historical cost convention as modified for re-measurement of investment securities and investment properties at fair value.

2.2 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

3.1 New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial statements are the same as those applied by the Company in the preparation of the financial statements as at and for the year ended 31 December 2024, except for the adoption of the following new standards and amendments effective as of 1 January 2025. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Lack of exchangeability – Amendments to IAS 21

These amendments had no impact on the interim condensed financial statements of the Company.

Abu Dhabi National Takaful Company P.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

4 CASH AND CASH EQUIVALENTS

	<i>(Unaudited)</i> 31 March 2025 AED	<i>(Audited)</i> 31 December 2024 AED
Takaful operations assets		
Cash and bank balances	17,411,612	137,347,595
Term deposits	424,745,491	412,290,989
Expected credit loss	<u>(226,149)</u>	<u>(226,149)</u>
	441,930,954	549,412,435
Less: term deposits with original maturity of more than three months	(369,995,473)	(412,290,989)
Add: expected credit loss on term deposit	<u>226,149</u>	<u>226,149</u>
Cash and cash equivalents	<u>72,161,630</u>	<u>137,347,595</u>
Term deposits	<u>369,769,324</u>	<u>412,064,840</u>
Shareholders' assets		
Cash and bank balances	12,843,898	19,244,696
Term deposits	<u>2,000,000</u>	<u>2,310,000</u>
	14,843,898	21,554,696
Less: term deposits with original maturity of more than three months	<u>(2,000,000)</u>	<u>(2,310,000)</u>
Cash and cash equivalents	<u>12,843,898</u>	<u>19,244,696</u>
Term deposits	<u>2,000,000</u>	<u>2,310,000</u>
Takaful operations assets	72,161,630	137,347,595
Shareholders' assets	<u>12,843,898</u>	<u>19,244,696</u>
	<u>85,005,528</u>	<u>156,592,291</u>
Total cash and bank balances	<u>30,255,510</u>	<u>156,592,291</u>
Total term deposits	<u>426,519,342</u>	<u>414,374,840</u>

Term deposits represent deposits held with Islamic financial institutions in the UAE, are denominated in UAE dirhams and carry profit at the prevailing market rates ranging from 3.92% to 5.5% per annum (31 December 2024: 4.1% to 5.5% per annum).

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

5 STATUTORY DEPOSIT

In accordance with the requirements of the Federal Law No. (48) of 2023, the Company maintains a bank deposit of AED 10,000,000 at a profit rate of 5% per annum (31 March 2024: 5% per annum) which cannot be utilised without the consent of the Central Bank of the UAE. The statutory deposit is held with an Islamic bank in the UAE, a related party (note 7).

6 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<i>(Unaudited)</i> 31 March 2025 AED	<i>(Audited)</i> 31 December 2024 AED
Financial assets measured at fair value through other comprehensive income	<u>455,408,605</u>	<u>348,325,400</u>
	<i>(Unaudited)</i> 31 March 2025 AED	<i>(Audited)</i> 31 December 2024 AED
Shareholders' assets		
<i>Quoted securities</i>		
Equity securities	118,932,477	54,019,611
Sukuks	170,089,178	129,790,705
Expected credit losses on Sukuk	<u>(174,185)</u>	<u>(174,185)</u>
Total quoted securities for shareholders assets	<u>288,847,470</u>	<u>183,636,131</u>
<i>Unquoted securities</i>		
Unlisted equities	<u>166,561,135</u>	<u>164,689,269</u>
Total unquoted securities for shareholders assets	<u>166,561,135</u>	<u>164,689,269</u>
Total quoted and unquoted securities for shareholders assets	<u>455,408,605</u>	<u>348,325,400</u>

The investments in quoted equity securities include investments made in related party amounting to AED 5,853,926 (31 December 2024: 289,280).

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

	<i>(Unaudited)</i> 31 March 2025 AED	<i>(Audited)</i> 31 December 2024 AED
At 1 January	348,325,400	352,579,538
Additions	144,103,520	162,588,207
Disposals	(34,253,468)	(166,280,625)
Change in fair value	<u>(2,766,847)</u>	<u>(561,720)</u>
At 31 March / 31 December	<u>455,408,605</u>	<u>348,325,400</u>

Abu Dhabi National Takaful Company P.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

6 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME continued

The geographical concentration of investments is as follows:

	<i>(Unaudited)</i> 31 March 2025 AED	<i>(Audited)</i> 31 December 2024 AED
Within UAE	210,527,720	133,044,992
Outside UAE	<u>244,880,885</u>	<u>215,280,408</u>
	<u>455,408,605</u>	<u>348,325,400</u>

Investments include AED 117,611,769 (2024: AED 119,408,853) registered in the name of custodians who are holding these investments on behalf of the Company through investment agreements.

Unquoted equity securities are valued primarily based on net assets of the investees unless recent transactions provide evidence of the current fair value. The Company classified these as level 3 investments.

7 RELATED PARTIES

Related parties comprise the shareholders, Directors and key management personnel of the Company and those entities in which they have a significant interest and the ability to control or exercise significant influence in financial and operational decisions. Details of significant transactions with related parties in the normal course of business are as follows:

	<i>Shareholders</i> <i>AED</i>	<i>Directors and their related parties</i> <i>AED</i>	<i>Key management personnel</i> <i>AED</i>	<i>Total</i> <i>AED</i>
Balances as at 31 March 2025 (unaudited)				
Statutory deposit (note 5)	10,000,000	-	-	10,000,000
Due from related parties	12,110,970	1,339,174	-	13,450,144
Due to a related party	7,823,254	-	-	7,823,254
Investment in Sukuk	4,584,602	-	-	4,584,602
Transactions for the three-month period ended 31 March 2025 (Unaudited)				
Gross contributions written	989,114	1,280,386	-	2,269,500
Takaful expenses	2,470,533	-	-	2,470,533
Profit on term deposits	370,108	-	-	370,108
Profit on sukuk	79,233	-	-	79,233
Short-term benefits	-	-	1,907,885	1,907,885
Long-term benefits	-	-	280,516	280,516
Balances as at 31 December 2024 (Audited)				
Statutory deposit (note 5)	10,000,000	-	-	10,000,000
Investment in sukuk	4,659,962	-	-	4,659,962
Due from related parties	13,561	1,039,093	-	1,052,654
Due to a related party	5,327,584	-	-	5,327,584

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

7 RELATED PARTIES continued

	<i>Shareholders</i>	<i>Directors and their related parties</i>	<i>Key management personnel</i>	<i>Total</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>	<i>AED</i>
Transactions for the three-month period ended 31 March 2024 (Unaudited)				
Gross contributions written	767,578	1,971,670	-	2,739,248
Takaful expenses	2,547,642	-	-	2,547,642
Profit on term deposits	627,325	-	-	627,325
Profit on sukuk	78,345	-	-	78,345
Short-term benefits	-	-	2,258,461	2,258,461
Long-term benefits	-	-	55,245	55,245

8 INVESTMENT IN COMMODITIES

The Company has invested in gold and silver which has been classified as investments at fair value through profit and loss. The commodity market value is determined from the commodities market which is a secondary market and accordingly it has been classified under level 2 investment. There were no transfers between Level 1 and 3 or to Level 2 during current period. As of 31 March 2025, the Company holds physical gold bullions having market value of AED 35,586,141 (31 December 2024: AED 30,289,215) and physical silver bullions having market value of AED 607,175 (31 December 2024: AED 515,355).

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

9 TAKAFUL CONTRACT ASSETS AND LIABILITIES

Reconciliation of the liability for remaining coverage and the liability for incurred claims for takaful contracts:

	<i>LRC</i>		<i>LIC for contracts under PAA</i>			
	<i>Excluding loss components AED</i>	<i>Loss Components AED</i>	<i>LIC for contracts not measured under PAA AED</i>	<i>Present value of future cash flows AED</i>	<i>Risk adjustment for non-financial risk AED</i>	<i>Total AED</i>
Opening takaful contract assets	(10,584)	-	-	-	-	(10,584)
Opening takaful contract liabilities	<u>354,828,039</u>	<u>7,886,477</u>	<u>31,114,624</u>	<u>436,288,780</u>	<u>9,162,960</u>	<u>839,280,880</u>
Net balance at 1 January 2025 (audited)	<u>354,817,455</u>	<u>7,886,477</u>	<u>31,114,624</u>	<u>436,288,780</u>	<u>9,162,960</u>	<u>839,270,296</u>
Takaful revenue	<u>(203,423,107)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(203,423,107)</u>
Takaful service expenses						
Incurred benefits and expenses	-	-	4,962,631	104,179,638	1,757,762	110,900,031
Changes that relate to past service	-	-	(2,337,119)	26,939,714	(1,510,691)	23,091,904
- adjustments to LIC	-	-	(2,337,119)	26,939,714	(1,510,691)	23,091,904
Losses on onerous contracts and reversal of those losses	-	(2,338,914)	-	-	-	(2,338,914)
Amortisation of takaful acquisition cash flows	<u>52,476,488</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,476,488</u>
Takaful service expenses	<u>52,476,488</u>	<u>(2,338,914)</u>	<u>2,625,512</u>	<u>131,119,352</u>	<u>247,071</u>	<u>184,129,509</u>
Takaful finance expenses through profit and loss	2,461,957	131,978	356,103	5,479,571	-	8,429,609
Net foreign exchange income or expense	5	(4)	(2,916)	-	-	(2,915)
Investment components	<u>(332,115)</u>	<u>-</u>	<u>332,115</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total changes in interim condensed statement of profit and loss	<u>(148,816,772)</u>	<u>(2,206,940)</u>	<u>3,310,814</u>	<u>136,598,923</u>	<u>247,071</u>	<u>(10,866,904)</u>
Cash flows						
Contributions received	138,971,911	-	-	-	-	138,971,911
Claims paid	-	-	(535,783)	(107,108,580)	-	(107,644,363)
Directly attributable expenses reversed	-	-	25,814	-	-	25,814
Takaful acquisition cost paid	<u>(62,551,740)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(62,551,740)</u>
Total cash flows	<u>76,420,171</u>	<u>-</u>	<u>(509,969)</u>	<u>(107,108,580)</u>	<u>-</u>	<u>(31,198,378)</u>
Net balance at 31 March 2025	<u>282,420,854</u>	<u>5,679,537</u>	<u>33,915,469</u>	<u>465,779,123</u>	<u>9,410,031</u>	<u>797,205,014</u>
Closing takaful contract assets	-	-	-	-	-	-
Closing takaful contract liabilities	<u>282,420,854</u>	<u>5,679,537</u>	<u>33,915,469</u>	<u>465,779,123</u>	<u>9,410,031</u>	<u>797,205,014</u>
Net closing balance						
31 March 2025 (unaudited)	<u>282,420,854</u>	<u>5,679,537</u>	<u>33,915,469</u>	<u>465,779,123</u>	<u>9,410,031</u>	<u>797,205,014</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

9 TAKAFUL CONTRACT ASSETS AND LIABILITIES continued

Reconciliation of the liability for remaining coverage and the liability for incurred claims for takaful contracts:
continued

	<i>LRC</i>		<i>LIC for contracts under PAA</i>			
	<i>Excluding loss components AED</i>	<i>Loss Components AED</i>	<i>LIC for contracts not measured under PAA AED</i>	<i>Present value of future cash flows AED</i>	<i>Risk adjustment for non-financial risk AED</i>	<i>Total AED</i>
Opening takaful contract assets	(3,638,846)	-	-	2,271,137	158,728	(1,208,981)
Opening takaful contract liabilities	<u>329,973,926</u>	<u>15,970,064</u>	<u>31,612,781</u>	<u>230,769,198</u>	<u>10,487,868</u>	<u>618,813,837</u>
Net balance at 1 January 2024	<u>326,335,080</u>	<u>15,970,064</u>	<u>31,612,781</u>	<u>233,040,335</u>	<u>10,646,596</u>	<u>617,604,856</u>
Takaful revenue	<u>(756,906,266)</u>	-	-	-	-	<u>(756,906,266)</u>
Takaful service expenses						
Incurred benefits and expenses	-	-	21,025,049	572,249,085	9,898,249	603,172,383
Changes that relate to past service - adjustments to LIC	-	-	(12,886,147)	(8,199,994)	(11,381,885)	(32,468,026)
Losses on onerous contracts and reversal of those losses	-	(8,004,007)	-	-	-	(8,004,007)
Amortisation of takaful acquisition cash flows	<u>207,464,402</u>	-	-	-	-	<u>207,464,402</u>
Takaful service expenses	<u>207,464,402</u>	<u>(8,004,007)</u>	<u>8,138,902</u>	<u>564,049,091</u>	<u>(1,483,636)</u>	<u>770,164,752</u>
Takaful finance expenses through profit and loss	5,243,819	(79,556)	863,325	6,654,525	-	12,682,113
Net foreign exchange income or expense	13	(24)	(1)	-	-	(12)
Investment components	<u>(3,348,717)</u>	-	<u>3,348,717</u>	-	-	-
Total changes in statement of profit and loss	<u>(547,546,749)</u>	<u>(8,083,587)</u>	<u>12,350,943</u>	<u>570,703,616</u>	<u>(1,483,636)</u>	<u>25,940,587</u>
Cash flows						
Contributions received	791,374,698	-	-	-	-	791,374,698
Claims paid	-	-	(11,716,154)	(367,455,171)	-	(379,171,325)
Directly attributable expenses paid	-	-	(1,132,946)	-	-	(1,132,946)
Takaful acquisition cash flows	<u>(215,345,574)</u>	-	-	-	-	<u>(215,345,574)</u>
Total cash flows	<u>576,029,124</u>	-	<u>(12,849,100)</u>	<u>(367,455,171)</u>	-	<u>195,724,853</u>
Net balance at 31 December 2024	<u>354,817,455</u>	<u>7,886,477</u>	<u>31,114,624</u>	<u>436,288,780</u>	<u>9,162,960</u>	<u>839,270,296</u>
Closing takaful contract assets	(10,584)	-	-	-	-	(10,584)
Closing takaful contract liabilities	<u>354,828,039</u>	<u>7,886,477</u>	<u>31,114,624</u>	<u>436,288,780</u>	<u>9,162,960</u>	<u>839,280,880</u>
Net closing balance 31 December 2024	<u>354,817,455</u>	<u>7,886,477</u>	<u>31,114,624</u>	<u>436,288,780</u>	<u>9,162,960</u>	<u>839,270,296</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

9 TAKAFUL CONTRACT ASSETS AND LIABILITIES continued

Reconciliation of measurement component of takaful contract balances not measured under the PAA

	<i>Present value of future cash flows AED</i>	<i>Risk adjustment for non- financial risk AED</i>	<i>CSM AED</i>	<i>Total AED</i>
Opening takaful contract assets	-	-	-	-
Opening takaful contract liabilities	<u>152,393,761</u>	<u>5,917,329</u>	<u>15,281,338</u>	<u>173,592,428</u>
Net balance at 1 January 2025 (audited)	<u>152,393,761</u>	<u>5,917,329</u>	<u>15,281,338</u>	<u>173,592,428</u>
Changes related to current services				
CSM recognized in profit and loss	-	-	(7,015,362)	(7,015,362)
Risk adjustment recognized in profit and loss	-	(218,459)	-	(218,459)
Experience adjustments	<u>1,176,198</u>	<u>131,212</u>	-	<u>1,307,410</u>
	<u>1,176,198</u>	<u>(87,247)</u>	<u>(7,015,362)</u>	<u>(5,926,411)</u>
Changes related to future services				
Contracts initially recognized in the period	(574,677)	288,083	286,594	-
Changes in estimates that adjust CSM	(2,267,135)	(5,897,936)	8,165,071	-
Changes in estimates that result in onerous contracts or reversal of losses	<u>(1,746,049)</u>	<u>5,629,877</u>	-	<u>3,883,828</u>
	<u>(4,587,861)</u>	<u>20,024</u>	<u>8,451,665</u>	<u>3,883,828</u>
Changes that relate to past service				
Changes that relate to past service – adjustments to LIC	<u>(2,397,591)</u>	<u>60,470</u>	-	<u>(2,337,121)</u>
Takaful Service result	<u>(5,809,254)</u>	<u>(6,753)</u>	<u>1,436,303</u>	<u>(4,379,704)</u>
Takaful finance expenses through profit and loss	2,813,763	-	136,277	2,950,040
Net foreign exchange income or expense	<u>(2,781)</u>	<u>(138)</u>	<u>3</u>	<u>(2,916)</u>
Total changes in statement of profit and loss	<u>(2,998,272)</u>	<u>(6,891)</u>	<u>1,572,583</u>	<u>(1,432,580)</u>
Cash flows				
Contribution received	(3,926,916)	-	-	(3,926,916)
Claims paid	(535,783)	-	-	(535,783)
Directly attributable expenses paid	25,814	-	-	25,814
Takaful acquisition cost paid	<u>(635,608)</u>	-	-	<u>(635,608)</u>
Total cash flow	<u>(5,072,493)</u>	<u>-</u>	<u>-</u>	<u>(5,072,493)</u>
Net balance at 31 March 2025	<u>144,322,996</u>	<u>5,910,438</u>	<u>16,853,921</u>	<u>167,087,355</u>
Closing takaful contract assets	-	-	-	-
Closing takaful contract liabilities	<u>144,322,996</u>	<u>5,910,438</u>	<u>16,853,921</u>	<u>167,087,355</u>
Net closing balance 31 March 2025 (unaudited)	<u>144,322,996</u>	<u>5,910,438</u>	<u>16,853,921</u>	<u>167,087,355</u>

Abu Dhabi National Takaful Company P.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

9 TAKAFUL CONTRACT ASSETS AND LIABILITIES continued

Reconciliation of measurement component of takaful contract balances not measured under the PAA continued

	<i>Present value of future cash flows AED</i>	<i>Risk adjustment for non- financial risk AED</i>	<i>CSM AED</i>	<i>Total AED</i>
Opening takaful contract assets	-	-	-	-
Opening takaful contract liabilities	<u>154,773,837</u>	<u>7,871,468</u>	<u>24,554,650</u>	<u>187,199,955</u>
Net balance at 1 January 2024	<u>154,773,837</u>	<u>7,871,468</u>	<u>24,554,650</u>	<u>187,199,955</u>
Changes related to current services				
CSM recognized for service provided	-	-	(6,821,093)	(6,821,093)
Risk adjustment recognized for the risk expired	-	(1,072,826)	-	(1,072,826)
Experience adjustments	<u>5,909,861</u>	<u>175,718</u>	-	<u>6,085,579</u>
	<u>5,909,861</u>	<u>(897,108)</u>	<u>(6,821,093)</u>	<u>(1,808,340)</u>
Changes related to future services				
Contracts initially recognized in the period	(2,666,845)	333,186	3,124,678	791,019
Changes in estimates that adjust CSM	7,552,457	(960,031)	(6,592,426)	-
Changes in estimates that result in onerous contracts or reversal of losses	<u>7,219,756</u>	<u>(223,481)</u>	-	<u>6,996,275</u>
	<u>12,105,368</u>	<u>(850,326)</u>	<u>(3,467,748)</u>	<u>7,787,294</u>
Changes that relate to past service				
Changes that relate to past service – adjustments to LIC	<u>(12,679,443)</u>	<u>(206,706)</u>	-	<u>(12,886,149)</u>
Takaful Service result	5,335,786	(1,954,140)	(10,288,841)	(6,907,195)
Takaful finance expenses through profit and loss	5,012,071	-	1,015,520	6,027,591
Net foreign exchange income or expense	<u>(22)</u>	<u>1</u>	<u>9</u>	<u>(12)</u>
Total changes in statement of profit and loss	<u>10,347,835</u>	<u>(1,954,139)</u>	<u>(9,273,312)</u>	<u>(879,616)</u>
Cash flows				
Contribution received	2,780,101	-	-	2,780,101
Claims paid	(11,716,154)	-	-	(11,716,154)
Directly attributable expenses paid	(1,132,946)	-	-	(1,132,946)
Takaful acquisition cash flows	<u>(2,658,912)</u>	-	-	<u>(2,658,912)</u>
Total cash flow	<u>(12,727,911)</u>	-	-	<u>(12,727,911)</u>
Net balance at 31 December 2024	<u>152,393,761</u>	<u>5,917,329</u>	<u>15,281,338</u>	<u>173,592,428</u>
Closing takaful contract assets	-	-	-	-
Closing takaful contract liabilities	<u>152,393,761</u>	<u>5,917,329</u>	<u>15,281,338</u>	<u>173,592,428</u>
Net closing balance 31 December 2024	<u>152,393,761</u>	<u>5,917,329</u>	<u>15,281,338</u>	<u>173,592,428</u>

Abu Dhabi National Takaful Company P.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

10 RE-TAKAFUL CONTRACTS ASSETS AND LIABILITIES

Reconciliation of changes in re-takaful contracts held by remaining coverage and incurred claims

				<i>Incurred claims for contract under PAA</i>		
	<i>Remaining coverage excluding loss-recovery component AED</i>	<i>Remaining coverage loss-recovery component AED</i>	<i>Incurred claims for contracts not measured under PAA AED</i>	<i>Present value of future cash flows AED</i>	<i>Risk adjustment for non-financial risk AED</i>	<i>Total AED</i>
Opening re-takaful contract assets	90,462,056	6,086,835	29,975,709	325,555,590	7,060,592	459,140,782
Opening re-takaful contract liabilities	(49,403,225)	-	-	1,465,801	94,763	(47,842,661)
Net balance at 1 January 2025 (audited)	<u>41,058,831</u>	<u>6,086,835</u>	<u>29,975,709</u>	<u>327,021,391</u>	<u>7,155,355</u>	<u>411,298,121</u>
Allocation of re-takaful contribution	(115,574,969)	-	-	-	-	(115,574,969)
Amounts recovered from re-takaful contracts						
Amounts recoverable for claims and other expenses	-	-	5,109,084	45,221,481	740,492	51,071,057
Changes that relate to past service – adjustments to AIC	-	-	(2,670,713)	49,650,098	(609,879)	46,369,506
Changes in loss recovery component	-	(1,905,761)	-	-	-	(1,905,761)
Effect of changes in the risk of reinsurers non-performance	(3,873)	-	(63)	(38,403)	-	(42,339)
Amounts recovered from re-takaful contracts	(3,873)	(1,905,761)	2,438,308	94,833,176	130,613	95,492,463
Re-takaful finance income through profit and loss	2,223,260	-	344,021	4,261,821	-	6,829,102
Net foreign exchange income or expense	(17)	20	(2,977)	-	-	(2,974)
Total changes in interim condensed statement of profit and loss	(113,355,599)	(1,905,741)	2,779,352	99,094,997	130,613	(13,256,378)
Cash flows						
Contributions paid to re-takaful	79,304,568	-	-	-	-	79,304,568
Recoveries from re-takaful	-	-	(1,420)	(69,938,202)	-	(69,939,622)
Total cash flows	<u>79,304,568</u>	<u>-</u>	<u>(1,420)</u>	<u>(69,938,202)</u>	<u>-</u>	<u>9,364,946</u>
Net balance at 31 March 2025	<u>7,007,800</u>	<u>4,181,094</u>	<u>32,753,641</u>	<u>356,178,186</u>	<u>7,285,968</u>	<u>407,406,689</u>
Closing re-takaful contract assets	60,015,897	4,181,094	32,753,641	324,020,941	6,285,976	427,257,549
Closing re-takaful contract liabilities	(53,008,097)	-	-	32,157,245	999,992	(19,850,860)
Net closing balance 31 March 2025 (unaudited)	<u>7,007,800</u>	<u>4,181,094</u>	<u>32,753,641</u>	<u>356,178,186</u>	<u>7,285,968</u>	<u>407,406,689</u>

Abu Dhabi National Takaful Company P.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

10 RE-TAKAFUL CONTRACTS ASSETS AND LIABILITIES continued

Reconciliation of changes in re-takaful contracts held by remaining coverage and incurred claims continued

				Incurred claims for contract under PAA		
	Remaining coverage excluding loss-recovery component AED	Remaining coverage loss-recovery component AED	Incurred claims for contracts not measured under PAA AED	Present value of future cash flows AED	Risk adjustment for non-financial risk AED	Total AED
Opening re-takaful contract assets	21,357,697	5,969,851	30,284,182	121,880,032	6,090,455	185,582,217
Opening re-takaful contract liabilities	(56,075,412)	-	-	33,822,656	1,656,213	(20,596,543)
Net balance at 1 January 2024	(34,717,715)	5,969,851	30,284,182	155,702,688	7,746,668	164,985,674
Allocation of re-takaful contribution	(431,190,719)	-	-	-	-	(431,190,719)
Amounts recovered from re-takaful contracts						
Amounts recoverable for claims and other expenses	-	-	22,522,071	428,339,863	7,655,935	458,517,869
Changes that relate to past service – adjustments to AIC	-	-	(15,624,248)	(15,028,248)	(8,247,248)	(38,899,744)
Changes in loss recovery component	-	116,998	-	-	-	116,998
Effect of changes in the risk of reinsurers non-performance	(465,663)	-	(354)	27,122	-	(438,895)
Amounts recovered from re-takaful contracts	(465,663)	116,998	6,897,469	413,338,737	(591,313)	419,296,228
Re-takaful finance income through profit and loss	5,072,568	-	828,798	4,590,422	-	10,491,788
Net foreign exchange income or expense	5	(14)	9	-	-	-
Total changes in statement of profit and loss	(426,583,809)	116,984	7,726,276	417,929,159	(591,313)	(1,402,703)
Cash flows						
Contributions paid to re-takaful	502,360,355	-	-	-	-	502,360,355
Recoveries from re-takaful	-	-	(8,034,749)	(246,610,456)	-	(254,645,205)
Total cash flows	502,360,355	-	(8,034,749)	(246,610,456)	-	247,715,150
Net balance at 31 December 2024	41,058,831	6,086,835	29,975,709	327,021,391	7,155,355	411,298,121
Closing re-takaful contract assets	90,462,056	6,086,835	29,975,709	325,555,590	7,060,592	459,140,782
Closing re-takaful contract liabilities	(49,403,225)	-	-	1,465,801	94,763	(47,842,661)
Net closing balance 31 December 2024	41,058,831	6,086,835	29,975,709	327,021,391	7,155,355	411,298,121

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

10 RE-TAKAFUL CONTRACTS ASSETS AND LIABILITIES continued

Reconciliation of measurement component of re-takaful contract balances not measured under the PAA

	<i>Present value of future cash flows AED</i>	<i>Risk adjustment for non- financial risk AED</i>	<i>CSM AED</i>	<i>Total AED</i>
Opening re-takaful contract assets	(5,058,784)	4,938,546	25,136,332	25,016,094
Opening re-takaful contract liabilities	-	-	-	-
Net balance at 1 January 2025 (audited)	<u>(5,058,784)</u>	<u>4,938,546</u>	<u>25,136,332</u>	<u>25,016,094</u>
Changes related to current services				
CSM recognized for services received	-	-	(961,194)	(961,194)
Risk adjustment recognized for the risk expired	-	(189,237)	-	(189,237)
Experience adjustments	1,704,487	124,018	-	1,828,505
	<u>1,704,487</u>	<u>(65,219)</u>	<u>(961,194)</u>	<u>678,074</u>
Changes related to future services				
Contracts initially recognized in the period	(521,065)	462,059	59,006	-
Changes in estimates that adjust CSM	2,866,965	(296,297)	(2,570,668)	-
Changes in loss recovery component	-	-	(1,814,134)	(1,814,134)
	<u>2,345,900</u>	<u>165,762</u>	<u>(4,325,796)</u>	<u>(1,814,134)</u>
Changes that relate to past service				
Changes that relate to past service – adjustments to AIC	(2,729,820)	59,107	-	(2,670,713)
Effect of changes in the risk of reinsurers non-performance	<u>(3,936)</u>	<u>-</u>	<u>-</u>	<u>(3,936)</u>
Takaful Service result	1,316,631	159,650	(5,286,990)	(3,810,709)
Takaful finance income through profit and loss	2,393,434	-	173,846	2,567,280
Net foreign exchange income or expense	(2,837)	(142)	5	(2,974)
Total changes in statement of profit and loss	<u>3,707,228</u>	<u>159,508</u>	<u>(5,113,139)</u>	<u>(1,246,403)</u>
Cash flows				
Contributions paid to re-takaful	1,996,951	-	-	1,996,951
Recoveries from re-takaful	(1,420)	-	-	(1,420)
Total cash flows	<u>1,995,531</u>	<u>-</u>	<u>-</u>	<u>1,995,531</u>
Net closing balance 31 March 2025	<u>643,975</u>	<u>5,098,054</u>	<u>20,023,193</u>	<u>25,765,222</u>
Closing re-takaful contract assets	643,975	5,098,054	20,023,193	25,765,222
Closing re-takaful contract liabilities	-	-	-	-
Net closing balance 31 March 2025 (unaudited)	<u>643,975</u>	<u>5,098,054</u>	<u>20,023,193</u>	<u>25,765,222</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

10 RE-TAKAFUL CONTRACTS ASSETS AND LIABILITIES continued

Reconciliation of measurement component of re-takaful contract balances not measured under the PAA
continued

	<i>Present value of future cash flows AED</i>	<i>Risk adjustment for non- financial risk AED</i>	<i>CSM AED</i>	<i>Total AED</i>
Opening re-takaful contract assets	(8,258,583)	5,969,015	22,576,597	20,287,029
Opening re-takaful contract liabilities	-	-	-	-
Net balance at 1 January 2024	(8,258,583)	5,969,015	22,576,597	20,287,029
Changes related to current services				
CSM recognized for services received	-	-	(5,502,710)	(5,502,710)
Risk adjustment recognized for the risk expired	-	(746,232)	-	(746,232)
Experience adjustments	<u>9,250,517</u>	<u>166,232</u>	-	<u>9,416,749</u>
	<u>9,250,517</u>	<u>(580,000)</u>	<u>(5,502,710)</u>	<u>3,167,807</u>
Changes related to future services				
Contracts initially recognized in the period	(3,121,701)	471,749	2,649,952	-
Changes in estimates that adjust CSM	2,044,344	(735,544)	(1,308,800)	-
Changes in loss recovery component	-	-	<u>5,967,304</u>	<u>5,967,304</u>
	<u>(1,077,357)</u>	<u>(263,795)</u>	<u>7,308,456</u>	<u>5,967,304</u>
Changes that relate to past service				
Changes that relate to past service – adjustments to AIC	<u>(15,437,575)</u>	<u>(186,674)</u>	-	<u>(15,624,249)</u>
Effect of changes in the risk of reinsurers non-performance	<u>(466,017)</u>	-	-	<u>(466,017)</u>
Takaful Service result	<u>(7,730,432)</u>	<u>(1,030,469)</u>	<u>1,805,746</u>	<u>(6,955,155)</u>
Takaful finance income through profit and loss	5,147,374	-	753,995	5,901,369
Net foreign exchange income or expense	<u>6</u>	-	<u>(6)</u>	-
Total changes in statement of profit and loss	<u>(2,583,052)</u>	<u>(1,030,469)</u>	<u>2,559,735</u>	<u>(1,053,786)</u>
Cash flows				
Contributions paid to re-takaful	13,817,603	-	-	13,817,603
Recoveries from re-takaful	<u>(8,034,752)</u>	-	-	<u>(8,034,752)</u>
Total cash flows	<u>5,782,851</u>	-	-	<u>5,782,851</u>
Net closing balance 31 December 2024	<u>(5,058,784)</u>	<u>4,938,546</u>	<u>25,136,332</u>	<u>25,016,094</u>
Closing re-takaful contract assets	(5,058,784)	4,938,546	25,136,332	25,016,094
Closing re-takaful contract liabilities	-	-	-	-
Net closing balance 31 December 2024	<u>(5,058,784)</u>	<u>4,938,546</u>	<u>25,136,332</u>	<u>25,016,094</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

11 MOVEMENT IN POLICYHOLDERS' FUNDS AND DISTRIBUTION PAYABLE TO LIFE POLICYHOLDERS

	<i>Deficit of life policyholders' funds AED</i>	<i>Deficit of general policyholders takaful funds AED</i>	<i>Total deficit of funds AED</i>	<i>Loan from shareholders AED</i>	<i>Total AED</i>
At 1 January 2025 (audited)	(8,058,376)	(27,884,783)	(35,943,159)	35,943,159	-
Surplus in the reporting period	683,146	281,998	965,144	-	965,144
Loan (Qard Hasan) paid back to shareholders	-	-	-	(965,144)	(965,144)
At 31 March 2025 (unaudited)	<u>(7,375,230)</u>	<u>(27,602,785)</u>	<u>(34,978,015)</u>	<u>34,978,015</u>	<u>-</u>
At 1 January 2024 (audited)	(16,769,788)	(1,220,609)	(17,990,397)	17,990,397	-
Deficit in the reporting year	8,711,412	(26,664,174)	(17,952,762)	-	(17,952,762)
Loan (Qard Hasan) advanced from shareholders	-	-	-	<u>17,952,762</u>	<u>17,952,762</u>
At 31 December 2024 (audited)	<u>(8,058,376)</u>	<u>(27,884,783)</u>	<u>(35,943,159)</u>	<u>35,943,159</u>	<u>-</u>

12 MUDAREB SHARE AND WAKALAH FEES

The shareholders manage the policyholders' investment fund and charge 35% (31 March 2024: 35%) of investment income earned by policyholders' investment fund as mudareb share.

The shareholders manage the takaful operations for the policyholders and charge 26.6% (31 March 2024: 29.9%) of gross takaful contributions as wakalah fees.

13 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of shares outstanding during the period as follows:

	<i>Three months ended 31 March</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Profit for the period (AED)	<u>27,514,104</u>	<u>24,029,916</u>
Weighted average number of shares	<u>105,000,000</u>	<u>105,000,000</u>
Basic and diluted earnings per share (AED)	<u>0.26</u>	<u>0.23</u>

The Company has not issued any instruments which would have a dilutive impact on earnings per share when converted or exercised.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

14 TAKAFUL REVENUE

The following table presents an analysis of takaful revenue recognised during the period:

	<i>Three months ended 31 March</i>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Amounts relating to changes in LFRC		
Expected benefits incurred	2,619,175	3,440,809
Expected expenses incurred	(5,356,318)	270,146
Change in the risk adjustment	144,745	247,844
CSM recognized	7,015,362	1,498,060
Recovery of acquisition cash flows	<u>630,799</u>	<u>303,623</u>
Contracts not measured under PAA	5,053,763	5,760,482
Contracts measured under PAA	<u>198,369,344</u>	<u>183,864,536</u>
Total takaful revenue	<u>203,423,107</u>	<u>189,625,018</u>

15 SHAREHOLDERS' INVESTMENT AND OTHER INCOME, NET

	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>31 March</i>	<i>31 March</i>
	<i>2025</i>	<i>2024</i>
	<i>AED</i>	<i>AED</i>
Return on short-term investment accounts and deposits	155,273	889,211
Dividend income and profit on investments, net	5,924,953	7,437,049
Loss on disposal of investments, net	(15,140)	(52,464)
Change in fair value of commodities	5,388,746	1,232,047
Rental income, net	752,878	793,735
Gain on disposal of investment properties	-	50,000
Investment expenses	<u>(1,770,808)</u>	<u>(1,291,612)</u>
	<u>10,435,902</u>	<u>9,057,966</u>

16 SEGMENT INFORMATION

For operating purposes, the Company is organised into two main business segments:

- Underwriting of takaful business for policy holders incorporating all classes of takaful including fire, marine, motor, general accident, engineering, medical and family takaful. This business is conducted fully within the UAE.
- Fund management and investments business which includes management of takaful business for policy holders and investing in UAE marketable equity securities, short-term investments with banks and other securities.

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

Abu Dhabi National Takaful Company P.S.C.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

16 SEGMENT INFORMATION continued

Segment revenue and results

	Three month ended 31 March 2025 (unaudited)			Three month ended 31 March 2024 (unaudited)		
	Attributable to policyholder AED	Attributable to shareholders AED	Total AED	Attributable to policyholder AED	Attributable to shareholders AED	Total AED
Takaful revenue	203,423,107	-	203,423,107	189,625,018	-	189,625,018
Takaful service expense	(184,129,509)	-	(184,129,509)	(166,345,296)	-	(166,345,296)
Allocation of re-takaful contributions paid	(115,574,969)	-	(115,574,969)	(103,930,310)	-	(103,930,310)
Amounts recovered from re-takaful contracts	<u>95,492,463</u>	<u>-</u>	<u>95,492,463</u>	<u>75,153,848</u>	<u>-</u>	<u>75,153,848</u>
Takaful service result	(788,908)	-	(788,908)	(5,496,740)	-	(5,496,740)
Investment income	5,110,703	-	5,110,703	6,355,272	-	6,355,272
Mudareb share	(1,788,746)	-	(1,788,746)	(2,224,345)	-	(2,224,345)
Takaful finance expenses for takaful contracts issued	(8,426,694)	-	(8,426,694)	(2,663,712)	-	(2,663,712)
Re-takaful finance income for re-takaful contracts held	<u>6,826,128</u>	<u>-</u>	<u>6,826,128</u>	<u>1,594,280</u>	<u>-</u>	<u>1,594,280</u>
Net financial takaful result	1,721,391	-	1,721,391	3,061,495	-	3,061,495
Other income (expenses), net	<u>32,661</u>	<u>-</u>	<u>32,661</u>	<u>(1,266,545)</u>	<u>-</u>	<u>(1,266,545)</u>
Surplus / (deficit) of takaful result for the period	<u>965,144</u>	<u>-</u>	<u>965,144</u>	<u>(3,701,790)</u>	<u>-</u>	<u>(3,701,790)</u>
Shareholders' investment and other income, net	-	10,435,902	10,435,902	-	9,057,966	9,057,966
Mudareb share from policyholders	-	1,788,746	1,788,746	-	2,224,345	2,224,345
Wakalah fees from policyholders	-	52,450,672	52,450,672	-	55,344,114	55,344,114
Takaful expense	-	(17,990,027)	(17,990,027)	-	(19,570,965)	(19,570,965)
General and administrative expenses	-	(17,529,784)	(17,529,784)	-	(17,244,176)	(17,244,176)
Profit (loss) before tax	<u>965,144</u>	<u>29,155,509</u>	<u>30,120,653</u>	<u>(3,701,790)</u>	<u>29,811,284</u>	<u>26,109,494</u>

Segment assets and liabilities

	As at 31 March 2025 (Unaudited)			As at 31 December 2024 (Audited)		
	Attributable to policyholder	Attributable to shareholders	Total	Attributable to policyholder	Attributable to shareholders	Total
Segment assets	<u>902,853,036</u>	<u>621,219,810</u>	<u>1,524,072,846</u>	<u>1,033,415,554</u>	<u>523,775,378</u>	<u>1,557,190,932</u>
Segment liabilities	<u>853,944,058</u>	<u>151,319,648</u>	<u>1,005,263,706</u>	<u>920,054,104</u>	<u>142,548,540</u>	<u>1,062,602,644</u>

Segment liabilities attributable to policyholders and segment assets attributable to shareholders are presented after elimination of inter segment balance of AED 48,908,978 (31 December 2024: AED 113,361,450).

17 SEASONALITY OF RESULTS

No income of seasonal nature was recorded in the interim condensed statement of profit or loss for the three-month period ended 31 March 2025 and 2024.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

18 PROFIT FOR THE PERIOD

The Company's combined net profit for the period after tax for policyholder and shareholder, before Qard Hasan provision is AED 27,514,104 (31 March 2024: AED 24,029,916).

19 CONTINGENT LIABILITIES AND COMMITMENTS

The Company is subject to contingencies in the normal course of its business that are subject to adjudication at the relevant legal forums. Provisions are made to the extent it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Contingent liabilities are disclosed unless the possibility of any outflow in settlement is remote.

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value into Levels 1 to 3 based on the degree to which the fair value is observable.

	<i>Level 1</i> <i>AED</i>	<i>Level 2</i> <i>AED</i>	<i>Level 3</i> <i>AED</i>	<i>Total</i> <i>AED</i>
31 March 2025 (Unaudited)				
Financial assets measured at fair value through other comprehensive income	<u>288,847,470</u>	<u>-</u>	<u>166,561,135</u>	<u>455,408,605</u>
31 December 2024 (Audited)				
Financial assets measured at fair value through profit or loss	393,337	-	-	393,337
Financial assets measured at fair value through other comprehensive income	<u>183,636,131</u>	<u>-</u>	<u>164,689,269</u>	<u>348,325,400</u>
	<u>184,029,468</u>	<u>-</u>	<u>164,689,269</u>	<u>348,718,737</u>

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

21 SOLVENCY MARGIN

Section 2 of the Financial Regulations for Takaful Companies (the "Regulations") issued by the Central Bank of UAE identifies the required solvency margin to be held in addition to takaful liabilities. The solvency margin must be maintained at all times throughout the period. The Company is subject to the Regulations which has been complied with during the period. The Company has incorporated in its policies and procedures the necessary tests to ensure continuous and full compliance with these 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 solvency margins as defined in the Regulations.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

21 SOLVENCY MARGIN continued

	<i>31 December 2024 AED</i>
Minimum Capital Requirement (MCR)	100,000,000
Solvency Capital Requirement (SCR)	111,868,759
Minimum Guarantee Fund (MGF)	80,662,142
Basic Own Funds	387,024,475
MCR Solvency Margin – Surplus	<u>287,024,475</u>
SCR Solvency Margin – Surplus	<u>275,155,716</u>
MGF Solvency Margin – Surplus	<u>306,362,333</u>

Above numbers are based on eforms and are unaudited and unreviewed.

22 ACQUISITION OF INDIVIDUAL LIFE TAKAFUL PORTFOLIO

On 27 October 2022, the Company reached an initial agreement to acquire the individual life takaful portfolio from Dubai Islamic Insurance & Reinsurance Company PJSC (AMAN). The agreement was subject to certain requirements before the acquisition of the portfolio would be completed. Pending the satisfaction of these requirements the ongoing responsibility for the management of the portfolio and its liabilities remained solely the responsibility of Dubai Islamic Insurance & Reinsurance Company PJSC (AMAN).

As the requirements for the acquisition of the portfolio have not been met, the board of directors have decided not to proceed further with the acquisition. The Company has therefore notified Dubai Islamic Insurance & Reinsurance Company PJSC (AMAN) of its decision to terminate the agreement in accordance with its terms and conditions.

23 SUBSEQUENT EVENT

For the year ended 31 December 2024, cash dividend of AED 21,000,000 at a rate of AED 0.2 per share was approved by shareholders on 24 April 2025 and paid subsequently.

24 PRESENTATION OF COMPARATIVE INFORMATION

During the current period, the Company changed its presentation of segment information included in the interim condensed financial statements to align it with the business model and the way it is monitored by the management accordingly, comparative information has been revised to conform to the current period presentation. This change in presentation do not have any impact on the previously reported profit or equity of the Company.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

25 CONVENTIONAL PRESENTATION OF INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION AND INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS

Below is the conventional presentation of interim condensed statement of financial statements:

	<i>(Unaudited)</i> 31 March 2025 AED	<i>(Audited)</i> 31 December 2024 AED
ASSETS		
Property and equipment	19,218,771	19,706,474
Right of use assets	9,427,267	9,920,554
Investment properties	41,115,000	41,115,000
Statutory deposit	10,000,000	10,000,000
Deferred tax asset	-	209,989
Prepaid expenses and other assets	58,394,486	56,314,111
Re-takaful contract assets	427,257,549	459,140,782
Takaful contract assets	-	10,584
Unit linked investments at fair value through profit or loss	-	393,337
Financial assets measured at fair value through other comprehensive income	455,408,605	348,325,400
Financial assets measured at amortized cost	10,283,000	10,283,000
Investment in commodities	36,193,316	30,804,570
Term deposits	426,519,342	414,374,840
Cash and cash equivalents	<u>30,255,510</u>	<u>156,592,291</u>
TOTAL ASSETS	<u>1,524,072,846</u>	<u>1,557,190,932</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Provision for end of service benefits	14,238,984	13,989,707
Lease liability	9,571,507	9,501,999
Deferred tax liability	821,399	-
Income tax payable	9,309,916	7,193,212
Re-takaful contract liabilities	19,850,860	47,842,661
Takaful contract liabilities	880,997,919	916,777,048
Accrued expenses and other liabilities	<u>70,473,121</u>	<u>67,298,017</u>
Total liabilities	<u>1,005,263,706</u>	<u>1,062,602,644</u>
Shareholders' equity		
Share capital	105,000,000	105,000,000
Legal reserve	52,500,000	52,500,000
General reserve	42,500,000	42,500,000
Re-takaful default reserve	10,067,414	10,067,414
Investment revaluation reserve	(58,894,796)	(55,650,672)
Retained earnings	<u>367,636,522</u>	<u>340,171,546</u>
Total equity	<u>518,809,140</u>	<u>494,588,288</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>1,524,072,846</u>	<u>1,557,190,932</u>

For the purpose of preparing the interim condensed statement financial position – conventional presentation, certain reclassifications were made within the Company's total liabilities between takaful contract liabilities and accrued expenses and other liabilities.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

25 CONVENTIONAL PRESENTATION OF INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION AND INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS
continued

<i>Takaful contract liabilities</i>	<i>(Unaudited) 31 March 2025 AED</i>	<i>(Audited) 31 December 2024 AED</i>
Takaful contract liabilities – takaful presentation	797,205,014	839,280,880
Add: deferred wakalah net of deferred acquisition cost – classified within accrued expenses and other liabilities in takaful presentation	<u>83,792,905</u>	<u>77,496,168</u>
	<u>880,997,919</u>	<u>916,777,048</u>
<i>Accrued expenses and other liabilities</i>	<i>(Unaudited) 31 March 2025 AED</i>	<i>(Audited) 31 December 2024 AED</i>
Takaful contract liabilities – takaful presentation	154,266,026	144,794,185
Less: deferred wakalah net of deferred acquisition cost – classified within accrued expenses and other liabilities in takaful presentation	<u>(83,792,905)</u>	<u>(77,496,168)</u>
	<u>70,473,121</u>	<u>67,298,017</u>

Below is the conventional presentation of interim condensed statement of profit or loss:

	<i>Three months ended 31 March</i>	
	<i>(Unaudited) 2025 AED</i>	<i>(Unaudited) 2024 AED</i>
Takaful revenue	203,423,107	189,625,018
Takaful service expense	(149,668,864)	(130,572,147)
Allocation of re-takaful contributions paid	(115,574,969)	(103,930,310)
Amounts recovered from re-takaful contracts	<u>95,492,463</u>	<u>75,153,848</u>
Takaful service result	33,671,737	30,276,409
Investment income	15,546,605	15,413,238
Other income (expenses), net	32,661	(1,266,545)
Takaful finance expenses for takaful contracts issued	(8,426,694)	(2,663,712)
Re-takaful finance income for re-takaful contracts held	6,826,128	1,594,280
General and administrative expenses	<u>(17,529,784)</u>	<u>(17,244,176)</u>
Profit before tax	30,120,653	26,109,494
Income tax expense	<u>(2,606,549)</u>	<u>(2,079,578)</u>
Profit for the period	<u>27,514,104</u>	<u>24,029,916</u>
Basic and diluted earnings per share	<u>0.26</u>	<u>0.23</u>