

Al Wathba National Insurance Company PJSC

Board of Directors Report on the Company Business, Review report and condensed consolidated interim financial information

For the three-month period ended 31 March 2025

Principal business address:

Al Wathba National Insurance Company PJSC
P.O. Box: 45154
Abu Dhabi
UAE

Al Wathba National Insurance Company PJSC

Review report and condensed consolidated interim financial information
for the three-month period ended 31 March 2025

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Board of Directors Report on the Company Business

For the period ending on (31/03/2025)

The Board of Directors of Al Wathba National Insurance Company is pleased to submit its quarterly report for the year 2025 on the company's business and activities, accompanied by the financial statements for the period ended 31 March 2025.

We are proud to report that the Company has more than doubled its insurance revenue compared to the same period last year, reaching AED 164 million—the highest ever recorded in the first quarter of any year. This achievement reflects the solid execution of our growth strategies, enhanced underwriting capabilities, and continued market confidence in our offerings.

The first quarter of 2025 has also marked a positive turnaround in our core insurance operations, with a net insurance service result of AED 7.3 million profit. This is a significant recovery from the AED 8 million loss reported in Q1 2024, and it highlights the resilience of our underwriting portfolio, improved risk selection, and disciplined pricing strategy.

The Company reported a net loss before tax of AED 18 million for the period, marking a significant improvement from the AED 29 million loss recorded in the same quarter last year. The loss was primarily driven by investment market volatility, highlighting the continued importance of strategic investment management and operational efficiency as core areas of focus.

We continue to operate in a competitive and rapidly evolving insurance landscape. The pressures of pricing competition and emerging risks require swift adaptability, innovation, and operational excellence. Our strategic initiatives in digital transformation, customer engagement, and reinsurance structuring are already contributing to stronger fundamentals and positioning the Company for sustainable profitability.

Finally, The Board of Directors also would like to extend its highest thanks and gratitude to His Highness Sheikh Mohamed bin Zayed Al Nahyan- President of the United Arab Emirates and Ruler of Abu Dhabi - and His Highness Sheikh Mohammed bin Rashid Al Maktoum - Vice President & Prime Minister of the United Arab Emirates, Ruler of Dubai and to the Crown Prince of Abu Dhabi, His Highness Sheikh Khaled bin Mohamed bin Zayed Al Nahyan, and to all the rulers of the Emirates for their patronage and support for the prosperity of this country and all its economic institutions, including the Al Wathba National Insurance Company.

The Board would also like to express its sincere appreciation and gratitude to all the company's shareholders and customers for their trust and continuous support, and to all the company's employees for their dedication and contribution to the company's performance during the last period.



Sheikh Saif bin Mohammed bin Butti Al Hamed

Chairman of Board of Directors

Review report on the condensed consolidated interim financial information to the Directors of Al Wathba National Insurance Company PJSC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Al Wathba National Insurance Company PJSC (the "Company") and its subsidiaries (together the "Group") as at 31 March 2025 and the related condensed consolidated interim statements of profit or loss, profit or loss and other 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 condensed consolidated interim financial information in accordance with International Accounting Standard 34 – "*Interim Financial Reporting*" ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all 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 consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34.

PricewaterhouseCoopers Limited Partnership - Abu Dhabi
15 May 2025




Shireen Sakr
Registered Auditor Number: 5591
Place: Abu Dhabi, United Arab Emirates


Al Wathba National Insurance Company PJSC

Condensed consolidated interim statement of financial position

<i>as at</i>	<i>Note</i>	31 March 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000
Assets			
Property and equipment		2,298	2,532
Investment in associates	21	148,059	142,569
Investment properties	20,24	594,949	583,215
Financial assets at amortised cost	6	12,715	12,833
Financial assets at fair value through other comprehensive income	7	169,499	186,548
Financial assets at fair value through profit or loss	8	589,596	633,269
Statutory deposits	9	6,000	6,000
Reinsurance contract assets	18.2	228,591	264,246
Deferred tax asset	17	64	-
Prepayments and other receivables	10	35,563	7,603
Term deposits	9	3,902	3,902
Cash and cash equivalents	9	88,924	78,161
Total assets		1,880,160	1,920,878
Equity and liabilities			
Equity			
Share capital	11	207,000	207,000
Legal reserve		103,500	103,500
Statutory reserve		51,750	51,750
General reserve		88,753	88,753
Capital reserve		9,474	9,474
Reinsurance risk reserve		3,935	3,237
Fair value reserve		815	14,495
Retained earnings		702,859	719,269
Total equity		1,168,086	1,197,478
Liabilities			
Borrowings	12	131,264	105,695
Employees' end of service benefits		6,372	6,138
Insurance contract liabilities	18.1	544,859	540,357
Reinsurance contract liabilities	18.2	1,262	18,003
Deferred tax liability	17	-	2,687
Accrued expenses and other payables		28,317	50,520
Total liabilities		712,074	723,400
Total equity and liabilities		1,880,160	1,920,878

The condensed consolidated interim financial information were approved for issue by the Board of Directors on 15 May 2025 and sign on their behalf by:


 Sheikh Saif Bin Mohamed Bin Butti Al Hamed
 Chairman of the Board of Directors


 Muralikrishnan Raman Pillai
 Chief Financial Officer

The notes set out on pages 8 to 30 form an integral part of this condensed consolidated interim financial information.

The independent auditors' report on review of the condensed consolidated interim financial information is set out on page 2.

Al Wathba National Insurance Company PJSC

Condensed consolidated interim statement of profit or loss for the three-month period ended 31 March (Unaudited)

	<i>Note</i>	Three-month period ended 2025 AED'000	2024 AED'000
Insurance revenue	18.1	164,496	74,989
Insurance service expenses	18.1	(123,524)	(116,278)
Amounts recoverable from reinsurers for incurred claims	18.2	33,838	62,624
Allocation of reinsurance premiums	18.2	(67,474)	(29,496)
Insurance service result		7,336	(8,161)
Interest income from financial assets at amortised cost		242	1,033
Loss from investment, <i>net</i>	13	(21,592)	(23,504)
Income from investment properties (rental income), <i>net</i>		1,921	1,508
Share of profit of equity-accounted investees		2,121	5,005
Net investment loss		(17,308)	(15,958)
Finance expenses from insurance contracts issued		(5,521)	(2,668)
Finance income from reinsurance contracts held		3,545	480
Net insurance finance expenses		(1,976)	(2,188)
Net insurance and investment result		(11,948)	(26,307)
Other income		13	297
Other operating expenses		(4,972)	(1,357)
Other finance costs		(1,492)	(1,606)
Loss for the period before tax		(18,399)	(28,973)
Income tax credit	17	2,348	818
Loss for the period		(16,051)	(28,155)
Earnings per share:			
Earnings per share (AED)	14	(0.08)	(0.14)

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Al Wathba National Insurance Company PJSC

Condensed consolidated interim statement of profit or loss and other comprehensive income

for the three-month period ended 31 March (Unaudited)

	Three-month period ended	
	2025	2024
	AED'000	AED'000
Loss for the period	(16,051)	(28,155)
Other comprehensive loss		
<i>Items that will not be reclassified subsequently to the statement of profit or loss:</i>		
Share of other comprehensive gain / (loss) of associates	3,369	(671)
Changes in fair value of financial assets at fair value through other comprehensive income, <i>net</i>	(17,049)	(35,910)
Income tax impact	339	-
Total other comprehensive loss for the period	(13,341)	(36,581)
Total comprehensive loss for the period	(29,392)	(64,736)

The notes set out on pages 8 to 30 form an integral part of this condensed consolidated interim financial information.

The independent auditors' report on review of the condensed consolidated interim financial information is set out on page 2.

Al Wathba National Insurance Company PJSC

Condensed consolidated interim statement of changes in shareholders' equity for the three-month period ended 31 March (Unaudited)

	Share capital AED'000	Legal reserve AED'000	Statutory reserve AED'000	General reserve AED'000	Capital reserve AED'000	Reinsurance risk reserve AED'000	Fair value reserve AED'000	Retained earnings AED'000	Total AED'000
Balance at 1 January 2024 (Audited)	207,000	103,500	51,750	88,753	9,474	1,991	101,887	705,962	1,270,317
<i>Total comprehensive income</i>									
Loss for the period	-	-	-	-	-	-	-	(28,155)	(28,155)
Other comprehensive loss for the period	-	-	-	-	-	-	(36,581)	-	(36,581)
Total comprehensive loss for the period	-	-	-	-	-	-	(36,581)	(28,155)	(64,736)
Transfer from retained earnings to reinsurance risk reserve	-	-	-	-	-	366	-	(366)	-
Balance at 31 March 2024 (Unaudited)	207,000	103,500	51,750	88,753	9,474	2,357	65,306	677,441	1,205,581
Balance at 1 January 2025 (Audited)	207,000	103,500	51,750	88,753	9,474	3,237	14,495	719,269	1,197,478
<i>Total comprehensive income</i>									
Loss for the period	-	-	-	-	-	-	-	(16,051)	(16,051)
Other comprehensive loss for the period	-	-	-	-	-	-	(13,341)	-	(13,341)
Total comprehensive loss for the period	-	-	-	-	-	-	(13,341)	(16,051)	(29,392)
Transfer to retained earnings on disposal of equity instruments carried at fair value through other comprehensive income	-	-	-	-	-	-	(339)	339	-
Transfer from retained earnings to reinsurance risk reserve	-	-	-	-	-	698	-	(698)	-
Balance at 31 March 2025 (Unaudited)	207,000	103,500	51,750	88,753	9,474	3,935	815	702,859	1,168,086

The notes set out on pages 8 to 30 form an integral part of this condensed consolidated interim financial information.

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Al Wathba National Insurance Company PJSC

Condensed consolidated interim statement of cash flows for the three-month period ended 31 March (Unaudited)

	Note	Three-month period ended	
		2025	2024
		AED'000	AED'000
Cash flow from operating activities			
Loss for the period before tax		(18,399)	(28,973)
<i>Adjustments for:</i>			
Changes in fair value of financial assets at fair value through profit or loss, <i>net</i>	13	45,887	37,201
Gain on disposal of financial assets at fair value through profit or loss, <i>net</i>	13	(359)	(9,696)
Gain on disposal of property and equipment		-	(7)
Provision for employees' end of service benefits		278	147
Depreciation of property and equipment		360	415
Share of profit of associates	21	(2,121)	(5,005)
Finance costs		1,492	1,606
Dividend income	13	(26,870)	(4,942)
Interest income		(242)	(1,033)
Net cash generated from / (used in) operations		26	(10,287)
<i>Changes in:</i>			
Reinsurance contract assets		35,655	(51,621)
Insurance and reinsurance contract liabilities		(12,239)	62,007
Prepayments and other receivables		(1,164)	(319)
Accrued expenses and other payables		(22,203)	(11,962)
Cash generated from / (used in) operations		75	(12,182)
Employees' end of service benefits paid		(44)	-
Net cash generated from / (used in) operating activities		31	(12,182)
Cash flow from investing activities			
Purchase of property and equipment		(126)	(188)
Additions to investment properties		(11,734)	(17,983)
Purchase of financial assets at fair value through profit or loss	8	(6,534)	(84,203)
Proceeds from sale of property and equipment		-	69
Proceeds from disposal of financial assets at fair value through profit or loss		4,679	69,490
Interest received		320	(124)
Dividends received from other investments		50	4,232
Net cash used in investing activities		(13,345)	(28,707)
Cash flow from financing activities			
Finance cost paid		(1,492)	(1,606)
Repayment of borrowings		(4,431)	(39,452)
Term loan received		30,000	55,000
Net cash generated from financing activities		24,077	13,942
Net increase / (decrease) in cash and cash equivalents		10,763	(26,947)
Cash and cash equivalents at 1 January	9	78,161	83,864
Cash and cash equivalents at 31 March	9	<u>88,924</u>	<u>56,917</u>

The notes set out on pages 8 to 30 form an integral part of this condensed consolidated interim financial information.

The independent auditors' report on review of the condensed consolidated interim financial information is set out on page 2.

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

1 Legal status and principal activities

Al Wathba National Insurance Company PJSC (the “Company”), incorporated in Abu Dhabi is registered as a public shareholding Company in accordance with the UAE Federal Law No. (8) of 1984 (as amended) and is governed by the provisions of Federal Law No. (48) of 2023 concerning the Establishment of the Central Bank of UAE and Organisation of the Insurance Operations and its amendments, Federal Decree Law No. 32 of 2021 concerning the Commercial Companies, Central Bank of UAE Board of Directors’ Decision No. (25) of 2014 pertinent to Financial Regulations for insurance companies and Central Bank of UAE Board of Directors’ Decision No. (23) of 2019 concerning Instructions Organising Reinsurance Operations.

The Company’s principal activity is the writing of general insurance business of all classes. The Company operates through its registered head office in Abu Dhabi and branch offices in Dubai, Al Ain, and Sharjah. The Company is domiciled in the United Arab Emirates, P.O. Box 45154, Abu Dhabi, United Arab Emirates. The Company’s shares are listed on Abu Dhabi Securities Exchange (ADX).

2 Basis of preparation

(a) Basis of consolidation

The condensed consolidated financial statements comprise the financial results of the Company and its following subsidiaries (together “the Group”):

Subsidiary	Principal activity	Country of incorporation	Ownership
AWNIC Investment Limited	Investment Management	Cayman Islands	100%
Al Wathba Real Estate Development LLC*	Real Estate	United Arab Emirates	100%

* During 2022 the Group formed a Limited Liability Company as its subsidiary named as “Al Wathba Real Estate Development L.L.C.”, registered on 28 October 2022 in accordance with the provisions of the Federal Decree Law No. 32 of 2021 concerning the Commercial Companies with its registered office established in Dubai. Al Wathba Real Estate Development L.L.C. was not operational as at and for the period ended 31 March 2025.

(b) Statement of compliance

This condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*. Accordingly, this condensed consolidated interim financial information does not include all of the information required for a complete set of condensed consolidated annual financial statements and should be read in conjunction with the financial statements of the Group as at and for the year ended 31 December 2024, which have been prepared in accordance with IFRS Accounting Standards. The results for the three-month period ending 31 March 2025 are not necessarily indicative of the results for the year ending 31 December 2025.

The Group’s condensed consolidated interim statement of financial position is not presented using a current/non-current classification. However, the following balances would generally be classified as current: cash and cash equivalents, prepayments and other receivables, accrued expenses and other payables and deferred tax asset / liability. The following balances would generally be classified as non-current: property and equipment, financial assets at amortised cost, investment properties and employees’ end of service benefits. The following balances include both current and non-current portions: statutory deposits, term deposits, reinsurance contract assets, insurance and reinsurance contract liabilities, financial assets at fair value through other comprehensive income and through profit of loss and borrowings.

(c) Basis of measurement

The condensed consolidated interim financial information has been prepared under the historical cost convention except for the investment properties, financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which are carried at fair values.

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

2 Basis of preparation *(continued)*

(d) Functional and reporting currency

This condensed consolidated interim financial information is presented in United Arab Emirates Dirhams ("AED"), which is the Group's functional currency. Except as indicated, financial information presented in AED has been rounded to the nearest thousand.

(e) Use of judgements and estimates

In preparing this condensed consolidated interim financial information, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual consolidated financial statements for the year ended 31 December 2024.

3 Material Accounting policies

The accounting policies applied in the condensed consolidated interim financial information are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2024.

4 New and revised IFRS Accounting Standards and interpretations applied on the condensed consolidated interim financial information

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in the preparation of this condensed consolidated interim financial information. The application of these revised IFRS Accounting Standards have not had any material impact on the amounts reported for the current and prior periods.

New standards or amendments

Amendments to IAS 21 – Lack of exchangeability sale or contribution of asset between an investor and its Associates or joint venture

Effective date

1 January 2025

5 New and revised IFRS Accounting Standards issued but not yet effective and not early adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2026 and earlier application is permitted. The Group has not early adopted any of the forthcoming new or amended standards in preparing this condensed consolidated interim financial information.

New standards or amendments

Amendments to IFRS 9 and IFRS 7 – Disclosure regarding Classification and Measurement of financial instruments

IFRS 9 and IFRS 7 – Contracts referencing nature-dependent electricity

Annual improvements to IFRS Accounting Standards – Volume 11

IFRS 18 – Presentation and Disclosure in Financial Statement

IFRS 19 – Subsidiaries without Public Accountability: Disclosure

Effective date

1 January 2026

1 January 2026

1 January 2026

1 January 2027

1 January 2027

The Group's management anticipates that these new standards, interpretations and amendments will be adopted in the Group's condensed consolidated interim financial information as and when they are applicable, and the Group is in the process of assessing the impact on adoption of these new standards, interpretations and amendments on the condensed consolidated interim financial information of the Group in the period of initial application.

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

5 New and revised IFRS Accounting Standards issued but not yet effective and not early adopted (continued)

There are no other relevant applicable new standards and amendments to published standards or IFRIC interpretations that have been issued but are not effective for the first time for the Group's financial year beginning on or after 1 January 2025 that would be expected to have a material impact on this condensed consolidated interim financial information

6 Financial assets at amortised cost

Included in financial assets at amortised cost are two perpetual sukuks with a total amount of AED 8,714 thousand (initial investment amount of AED 9,000 thousand) which carry profit of six month EIBOR+495 bps or 6.05%, whichever is higher and one perpetual bond amounting to AED 4,001 thousand (initial investment amount of AED 5,000 thousand) which carries profit of 8.25% (31 December 2024: two sukuks with a total amount of AED 9,000 thousand which carry profit of six month EIBOR+495 bps or 6.05%, whichever is higher and one bond amounting to AED 5,000 thousand which carries profit of 8.25%) having an accrued profit of AED 184 thousand for the three-month period ended 31 March 2025 (31 December 2024: accrued profit of AED 302 thousand).

7 Financial assets at fair value through other comprehensive income

	(Unaudited) 31 March 2025 AED'000	(Audited) 31 December 2024 AED'000
Quoted equity securities	169,061	186,110
Unquoted equity securities	438	438
	<u>169,499</u>	<u>186,548</u>

The movement in the financial assets at fair value through other comprehensive income (FVOCI) is as follows:

	(Unaudited) 31 March 2025 AED'000	(Audited) 31 December 2024 AED'000
At beginning of the period / year	186,548	362,182
Additions	-	1,818
Disposals	-	(141,878)
Changes in fair value	(17,049)	(35,574)
Balance at end of the period / year	<u>169,499</u>	<u>186,548</u>

The geographical distribution of financial assets at FVOCI is as follows:

Within UAE	169,232	186,336
Outside UAE	267	212
	<u>169,499</u>	<u>186,548</u>

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

8 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss consist of quoted investments in local securities. The movement in financial assets at fair value through profit or loss is as follows:

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Audited)</i> 31 December 2024 AED'000
At beginning of the period / year	633,269	548,941
Additions	6,534	212,405
Disposals	(4,320)	(99,621)
Changes in fair value <i>(note 13)</i>	(45,887)	(28,456)
Balance at end of the period / year	589,596	633,269

9 Cash and cash equivalents

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Audited)</i> 31 December 2024 AED'000
Bank balances and cash	77,933	73,229
Statutory deposit	6,000	6,000
Term deposits	14,954	8,895
Less: allowances for expected credit loss	(61)	(61)
Total bank balances, deposits and cash	98,826	88,063
<i>Less: deposits with original maturity of three months or more</i>	(3,902)	(3,902)
<i>Less: statutory deposits</i>	(6,000)	(6,000)
Cash and cash equivalents for the purpose of the statement of cash flows	88,924	78,161

Geographical concentration of cash and cash equivalents, statutory deposits and deposits with original maturities of three months or more is as follows:

Within UAE	98,826	88,063
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Deposits are held with financial institutions in UAE, with an original maturity period of one to twelve months from the date of placement. Interest is receivable at annual rates ranging from 3.30% to 3.90% per annum *(31 December 2024: 3.75% to 3.95% per annum)*.

In accordance with the requirements of UAE Federal Law No. (48) of 2023 (as amended), the Group maintains a bank deposit of AED 6,000 thousand *(31 December 2024: AED 6,000 thousand)* which cannot be utilised without the consent of the Assistant Governor of the Banking and Insurance Supervision Department of the Central Bank of the UAE.

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

10 Prepayments and other receivables

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Audited)</i> 31 December 2024 AED'000
Prepayments	5,343	3,070
Accrued income	27,066	106
Other receivables	3,154	4,427
	<u>35,563</u>	<u>7,603</u>

11 Share capital

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Audited)</i> 31 December 2024 AED'000
<i>Authorised, issued and fully paid</i>		
207,000,000 (31 December 2024: 207,000,000) ordinary shares of AED 1 each	<u>207,000</u>	<u>207,000</u>

12 Borrowings

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Audited)</i> 31 December 2024 AED'000
Term loan 1	66,229	70,689
Term loan 2	65,035	35,006
	<u>131,264</u>	<u>105,695</u>

The movement in the borrowing facilities of the Group is as follows:

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Audited)</i> 31 December 2024 AED'000
<i>Term loan facilities</i>		
Opening balance	105,695	88,541
Add: received during the period / year	30,000	185,000
Add: finance cost incurred during the period / year	1,492	8,147
Repayments made during the period / year	(5,923)	(175,993)
Ending balance	<u>131,264</u>	<u>105,695</u>

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

12 Borrowings (continued)

Term loan 1

During 2022 the Group obtained a bank facility amounting to AED 100,000 thousand from an international commercial bank for its investment activities. The loan carries interest rate of 3-month EIBOR plus margin and charged quarterly. The loan is repayable in twenty-four quarterly principal instalments commencing from 12 April 2023 till 12 October 2028. The loan is secured against investment properties comprising head office building and five villas. As at 31 March 2025, the outstanding loan balance was AED 66,229 thousand (31 December 2024: AED 70,689 thousand).

Term loan 2

During 2025, the Group utilised the revolving credit facility of AED 30,000 thousand with maximum limit of AED 75,000 thousand (during the year ended 31 December 2024, the Group has secured a revolving credit facility of AED 185,000 thousand) from an international commercial bank to support its operations and meet short-term liabilities. The facility bears interest at a fixed rate equivalent to the 3-month EIBOR plus a margin, with interest charged on a quarterly basis. The loan is structured for repayment through a single bullet payment at the end of its one-year term, maturing in November 2025. As at the reporting date, the outstanding balance under this facility, inclusive of accrued finance costs, amounted to AED 65,035 thousand (31 December 2024: AED 35,006 thousand).

13 Investment income, *net* (Unaudited)

	Three-month period ended	
	31 March	
	2025	2024
	AED'000	AED'000
Gain on disposal of financial assets at fair value through profit or loss, <i>net</i>	359	9,696
Changes in fair value of financial assets carried at fair value through profit or loss (<i>note 8</i>)	(45,887)	(37,201)
Dividend income	26,870	4,942
Other investment expense, <i>net</i>	(2,934)	(941)
	<u>(21,592)</u>	<u>(23,504)</u>

14 Earnings per share (Unaudited)

Earnings per share are calculated by dividing profit for the period / year by the weighted average number of ordinary shares outstanding during the period / year.

The following reflects the income and share data used in the earnings per share computations:

	Three-month period ended	
	31 March	
	2025	2024
	AED'000	AED'000
Loss for the period (AED'000)	<u>(16,051)</u>	<u>(28,155)</u>
Ordinary shares outstanding during the period (shares in 000)	<u>207,000</u>	<u>207,000</u>
Earnings per share (AED)	<u>(0.08)</u>	<u>(0.14)</u>

There is no dilution effect to the basic earnings per share.

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

15 Related parties

Identity of related parties

Related parties comprise major shareholders, associated companies, directors and key management personnel of the Group and entities controlled, jointly controlled or significantly influenced by such parties. The Group maintains significant balances with these related parties which arise from commercial transactions in the ordinary course of business at commercial rates.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, being the directors, chief executive officer and his direct reports.

The Group maintains significant balances with these related parties which arise from commercial transactions in the ordinary course of business at commercial rates as follows.

Related parties as per requirement of local regulations:

Balances with related parties:

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Audited)</i> 31 December 2024 AED'000
Due from policy holders (Directors' affiliates) <i>(included in insurance contract liabilities)</i>	<u>52,205</u>	<u>35,046</u>
Due to policy holders (Directors' affiliates) <i>(included in insurance contract liabilities)</i>	<u>(18,204)</u>	<u>(20,103)</u>

During the period, the Group entered the following transactions with related parties:

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Unaudited)</i> 31 March 2024 AED'000
Insurance revenue from Directors' affiliates	<u>47,668</u>	<u>29,441</u>
Insurance service expenses to Directors, affiliates	<u>25,080</u>	<u>11,349</u>

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

15 Related parties *(continued)*

Related parties as per requirement of IAS 24:

Balances with related parties:

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Audited)</i> 31 December 2024 AED'000
Due from equity accounted investee	<u>107</u>	<u>78</u>
Prepaid rent expenses related to Director	<u>268</u>	<u>383</u>

During the period, the Group entered into the following transactions with related parties:

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Unaudited)</i> 31 March 2024 AED'000
Insurance revenue from equity accounted investee	<u>47</u>	<u>333</u>
Rent expenses related to Director	<u>115</u>	<u>121</u>
Other expenses related to Director	<u>770</u>	<u>745</u>
Remuneration of key management personnel:		
Short term benefits	<u>1,151</u>	<u>829</u>
Post employment benefits	<u>81</u>	<u>14</u>
	<u>1,232</u>	<u>843</u>

The above figures exclude the impact of risk adjustments and discount rate since the Group does not apply these elements at a counterparty level.

16 Fair value of financial instruments and non-financial assets *(Unaudited)*

Financial instruments comprise of financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

16 Fair value of financial instruments and non-financial assets (*Unaudited*) (*continued*)

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.

	Level 1 AED'000	Level 2* AED'000	Level 3 AED'000	Total AED'000
As at 31 March 2025 (<i>Unaudited</i>)				
Financial assets at fair value through profit or loss	560,854	28,742	-	589,596
Financial assets at fair value through other comprehensive income	164,519	4,542	438**	169,499
Investment properties	-	-	594,949	594,949
	<u>725,373</u>	<u>33,284</u>	<u>595,387</u>	<u>1,354,044</u>
As at 31 December 2024 (<i>Audited</i>)				
Financial assets at fair value through profit or loss	600,980	32,289	-	633,269
Financial assets at fair value through other comprehensive income	181,079	5,031	438**	186,548
Investment properties	-	-	583,215	583,215
	<u>782,059</u>	<u>37,320</u>	<u>583,653</u>	<u>1,403,032</u>

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 during the three-month period ended 31 March 2025 (31 December 2024: Nil). The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

* These investments are valued using the quoted prices, however, due to in-active market they are classified under Level 2.

** For Investments under level 3, the fair values are based on Net Assets Values (NAV).

The fair value for the investment properties was determined using the Capitalization Approach, Discounted Cash Flow Method, Direct Comparable Methodology and Residual method of valuation. In estimating the fair value of the properties, the highest and best use of the properties is considered as their current use.

There has been no change in the valuation techniques used during the period. The inputs used in the valuation are not based on observable market data and thus the valuation techniques are considered as Level 3 fair value measurements.

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

16 Fair value of financial instruments and non-financial assets *(Unaudited)* *(continued)*

Reconciliation of level 3 fair value measurement:

Movement in level 3 for financial assets at fair value through other comprehensive income is as follows:

	<i>(Unaudited)</i>	<i>(Audited)</i>
	31 March	31
	2025	December
	AED'000	2024
Balance as at 1 January	438	708
Change in fair value	-	(270)
Balance as at	438	438

The fair value of the financial assets is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value of financial instruments that are not measured at fair value (but fair value disclosure is required):

	31 March 2025		31 December 2024	
	<i>(Unaudited)</i>		<i>(Audited)</i>	
	Carrying amount AED'000	Fair value AED'000	Carrying amount AED'000	Fair value AED'000
Financial assets				
Financial assets at amortised cost	12,715	12,715	12,833	12,833

Financial assets at amortised cost comprises mainly on fixed income bonds and sukuk. The fair value of these bonds and sukuk are determined based on valuation conducted by the independent valutors based on observable price in the market and classified under Level 3. These bonds and sukuk are issued by the financial institution within the UAE and are unrated instruments. Based on management's assessment, the fair values of financial assets at amortised cost have not materially changed since the last valuation as at 31 December 2024.

17 Corporate tax

On December 9, 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime is effective for accounting periods beginning on or after June 1, 2023.

The Cabinet of Ministers Decision No. 116/2022 effective from January 2023, has confirmed the threshold of income over which the 9% tax rate would apply, and the Law is considered to be substantively enacted. A rate of 9% applies to taxable income exceeding AED 375,000. A rate of 0% applies to taxable income not exceeding AED 375,000.

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

17 Corporate tax (continued)

A. Amount recognised in the condensed consolidated interim statement of financial position:

	<i>(Unaudited)</i>	<i>(Audited)</i>
	31 March	31 December
	2025	2024
	AED'000	AED'000
Deferred tax asset / (liability)	<u>64</u>	<u>(2,687)</u>

B. Amount recognised in the condensed consolidated interim statement of profit or loss

	<i>(Unaudited)</i>	
	Three-month period ended	
	31 March	31 March
	2025	2024
	AED'000	AED'000
Income tax credit	<u>2,348</u>	<u>818</u>

C. Amount recognised in the condensed consolidated interim statement of profit or loss and other comprehensive income

	<i>(Unaudited)</i>	
	Three-month period ended	
	31 March	31 March
	2025	2024
	AED'000	AED'000
Deferred income tax expense relating to origination and reversal of temporary differences	<u>339</u>	<u>-</u>

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Notes to the condensed consolidated interim financial information

18 Insurance and reinsurance contract assets and liabilities

18.1 Insurance contracts issued

As at 31 March 2025 (Unaudited)					
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
	Excluding loss component	Loss component - onerous contracts	Estimates of present value of future cashflows	Risk adjustment for non-financial risk	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Insurance contract liabilities - opening	122,896	6,603	392,088	18,770	540,357
Insurance contract assets - opening	-	-	-	-	-
Net opening balance	122,896	6,603	392,088	18,770	540,357
Insurance revenue	(164,496)	-	-	-	(164,496)
Insurance service expense					
Incurred claims and other directly attributable expenses	-	-	110,523	2,868	113,391
Insurance acquisition cashflow amortisation	20,875	-	-	-	20,875
Losses on onerous contracts	-	16,932	-	-	16,932
Reversal of losses on onerous contracts	-	(14,709)	-	-	(14,709)
Changes that relate to past service - adjustment to the LIC	-	-	(9,046)	(3,919)	(12,965)
Total insurance service expenses	20,875	2,223	101,477	(1,051)	123,524
Insurance service result	(143,621)	2,223	101,477	(1,051)	(40,972)
Finance expenses from insurance contracts issued	-	-	5,268	253	5,521
Total changes in the consolidated statement of comprehensive income	(143,621)	2,223	106,745	(798)	(35,451)
Cash flows					
Premiums received	160,144	-	-	-	160,144
Claims and other directly attributable expenses paid	-	-	(101,864)	-	(101,864)
Insurance acquisition cashflows paid	(18,327)	-	-	-	(18,327)
Total cash inflows / (outflows)	141,817	-	(101,864)	-	39,953
Insurance contract liabilities - closing	121,092	8,826	396,969	17,972	544,859
Insurance contract assets - closing	-	-	-	-	-
Closing balance - net	121,092	8,826	396,969	17,972	544,859

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

18 Insurance and reinsurance contract assets and liabilities (continued)

18.1 Insurance contracts issued (continued)

	As at 31 December 2024 (Audited)				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
	Excluding loss component AED'000	Loss component - onerous contracts AED'000	Estimates of present value of future cashflows AED'000	Risk adjustment for non-financial risk AED'000	Total AED'000
Insurance contract liabilities - opening	81,826	12,553	215,893	10,359	320,631
Insurance contract assets - opening	-	-	-	-	-
Net opening balance	81,826	12,553	215,893	10,359	320,631
Insurance revenue	(376,325)	-	-	-	(376,325)
Insurance service expense	-	-	-	-	-
Incurred claims and other directly attributable expenses	-	(61,643)	471,194	7,707	417,258
Insurance acquisition cashflow amortisation	47,149	-	-	-	47,149
Losses on onerous contracts	-	110,971	-	-	110,971
Reversal of losses on onerous contracts	-	(55,278)	-	-	(55,278)
Changes that relate to past service - adjustment to the LIC	-	-	(5,510)	704	(4,806)
Total insurance service expenses	47,149	(5,950)	465,684	8,411	515,294
Insurance service result	(329,176)	(5,950)	465,684	8,411	138,969
Finance expenses from insurance contracts issued	-	-	9,008	-	9,008
Total changes in the consolidated statement of comprehensive income	(329,176)	(5,950)	474,692	8,411	147,977
Cash flows					
Premiums received	419,859	-	-	-	419,859
Claims and other directly attributable expenses paid	-	-	(298,497)	-	(298,497)
Insurance acquisition cashflows paid	(49,613)	-	-	-	(49,613)
Total cash inflows / (outflows)	370,246	-	(298,497)	-	71,749
Insurance contract liabilities - closing	122,896	6,603	392,088	18,770	540,357
Insurance contract assets - closing	-	-	-	-	-
Closing balance - net	122,896	6,603	392,088	18,770	540,357

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

18 Insurance and reinsurance contract assets and liabilities *(continued)*

18.2 Reinsurance contracts held

	As at 31 March 2025 <i>(Unaudited)</i>				
	Asset for remaining coverage (ARC)		Asset for incurred claims (AIC)		
	Excluding loss recovery component	Loss recovery component - onerous contracts	Estimates of present value of future cashflows	Risk adjustment for non-financial risk	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Reinsurance contract liabilities - opening	18,003	-	-	-	18,003
Reinsurance contract assets - opening	-	-	(250,066)	(14,180)	(264,246)
Net opening balance	18,003	-	(250,066)	(14,180)	(246,243)
Allocation of reinsurance premiums paid	67,474	-	-	-	67,474
Amount recoverable from reinsurers	-	-	-	-	-
Incurred claims and other directly attributable expenses	-	-	(40,701)	(1,050)	(41,751)
Changes that relate to past service - adjustment to the AIC	-	-	8,756	2,106	10,862
Losses on onerous contracts	-	(2,949)	-	-	(2,949)
Total amount recoverable from reinsurers - <i>net</i>	-	(2,949)	(31,945)	1,056	(33,838)
Finance income from reinsurance contracts held	-	-	(3,354)	(191)	(3,545)
Total changes in the consolidated statement of comprehensive income	67,474	(2,949)	(35,299)	865	30,091
Cash flows					
Premiums ceded paid	(49,502)	-	-	-	(49,502)
Recoveries from reinsurers	-	-	38,325	-	38,325
Total cash inflows / (outflows)	(49,502)	-	38,325	-	(11,177)
Reinsurance contract liabilities - closing	1,315	-	(50)	(3)	1,262
Reinsurance contract assets - closing	34,660	(2,949)	(246,990)	(13,312)	(228,591)
Closing balance - net	35,975	(2,949)	(247,040)	(13,315)	(227,329)

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

18 Insurance and reinsurance contract assets and liabilities *(continued)*

18.2 Reinsurance contracts held *(continued)*

	As at 31 December 2024 <i>(Audited)</i>				
	Asset for remaining coverage (ARC)		Asset for incurred claims (AIC)		Total AED'000
	Excluding loss recovery component AED'000	Loss recovery component – onerous contracts AED'000	Estimates of present value of future cashflows AED'000	Risk adjustment for non-financial risk AED'000	
Reinsurance contract liabilities - opening	35,442	-	-	-	35,442
Reinsurance contract assets - opening	-	-	(128,710)	(7,175)	(135,885)
Net opening balance	35,442	-	(128,710)	(7,175)	(100,443)
Allocation of reinsurance premiums paid	138,431	-	-	-	138,431
Recoverable amount from reinsurers	-	-	-	-	-
Incurred claims and other directly attributable expenses	-	-	(272,794)	(5,739)	(278,533)
Changes that relate to past service - adjustment to the AIC	-	-	26,126	(1,266)	24,860
Effect of changes in the risk of reinsurers non-performance	-	-	385	-	385
Total amount recoverable from reinsurers - net	-	-	(246,283)	(7,005)	(253,288)
Finance income from reinsurance contracts held	-	-	(4,981)	-	(4,981)
Total changes in the consolidated statement of comprehensive income	138,431	-	(251,264)	(7,005)	(119,838)
Cash flows					
Premiums ceded paid	(155,870)	-	-	-	(155,870)
Recoveries from reinsurers	-	-	129,908	-	129,908
Total cash inflows / (outflows)	(155,870)	-	129,908	-	(25,962)
Reinsurance contract liabilities - closing	18,003	-	-	-	18,003
Reinsurance contract assets - closing	-	-	(250,066)	(14,180)	(264,246)
Closing balance - net	18,003	-	(250,066)	(14,180)	(246,243)

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

19 Segment information (Unaudited)

	Three-month period ended 31 March 2025				
	Motor AED'000	Health AED'000	General insurance AED'000	Investments AED'000	Total AED'000
Insurance revenue					
Insurance revenue from contracts measured under PAA	85,309	27,156	52,031	-	164,496
Total insurance revenue	85,309	27,156	52,031	-	164,496
Insurance service expenses					
Incurred claim and other directly attributable expenses	(76,839)	(28,327)	(8,225)	-	(113,391)
Changes that relate to past service - adjustments to the LIC	5,239	(2,148)	9,874	-	12,965
(Losses) on onerous contracts and reversal of the losses	2,594	(4,817)	-	-	(2,223)
Insurance acquisition cash flows' amortisation	(10,801)	(3,222)	(6,852)	-	(20,875)
Total insurance service expenses	(79,807)	(38,514)	(5,203)	-	(123,524)
Amounts recoverable from reinsurers for incurred claims					
Incurred claims recovered	14,281	22,141	5,329	-	41,751
Changes that relate to past service - adjustments to LIC	(2,116)	817	(9,563)	-	(10,862)
Losses on onerous contracts	554	2,395	-	-	2,949
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-
Total amounts recoverable from reinsurers for incurred claims	12,719	25,353	(4,234)	-	33,838
Reinsurance expenses					
Allocation of reinsurance premiums	(14,028)	(18,299)	(35,147)	-	(67,474)
Total net income from reinsurance contracts held	(1,309)	7,054	(39,381)	-	(33,636)
Total insurance service results	4,193	(4,304)	7,447	-	7,336
Net insurance and reinsurance finance expenses	-	-	-	(1,976)	(1,976)
Share of profit of equity-accounted investees	-	-	-	2,121	2,121
Net investment loss	-	-	-	(19,429)	(19,429)
Other income	-	-	-	13	13
Other operating expenses	-	-	-	(4,972)	(4,972)
Other finance costs	-	-	-	(1,492)	(1,492)
(Loss) / profit for the period	4,193	(4,304)	7,447	(25,735)	(18,399)

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Notes to the condensed consolidated interim financial information

19 Segment information (Unaudited) (continued)

	Three-month period ended 31 March 2024				
	Motor AED'000	Health AED'000	General insurance AED'000	Investment AED'000	Total AED'000
<i>Insurance revenue</i>					
Insurance revenue from contracts measured under PAA	41,339	-	33,650	-	74,989
	41,339	-	33,650	-	74,989
<i>Insurance service expenses</i>					
Incurred claim and other directly attributable expenses	(37,772)	-	(41,995)	-	(79,767)
Changes that relate to past service - adjustments to the LIC	(22,383)	-	2,054	-	(20,329)
Losses on onerous contracts	(6,409)	-	(339)	-	(6,748)
Insurance acquisition cash flows amortisation	(4,864)	-	(4,570)	-	(9,434)
<i>Total Insurance service expenses</i>	<i>(71,428)</i>	<i>-</i>	<i>(44,850)</i>	<i>-</i>	<i>(116,278)</i>
<i>Amounts recoverable from reinsurers for incurred claims</i>					
Incurred claims recovered	23,685	-	35,244	-	58,929
Changes that relate to past service - adjustments to LIC	6,987	-	(3,105)	-	3,882
Effect of changes in the risk of reinsurers non-performance	(12)	-	(175)	-	(187)
<i>Total amounts recoverable from reinsurers for incurred claims</i>	<i>30,660</i>	<i>-</i>	<i>31,964</i>	<i>-</i>	<i>62,624</i>
<i>Reinsurance expenses</i>					
<i>Allocation of reinsurance premiums</i>	<i>(8,016)</i>	<i>-</i>	<i>(21,480)</i>	<i>-</i>	<i>(29,496)</i>
Total net income from reinsurance contracts held	22,644	-	10,484	-	33,128
<i>Total insurance service result</i>	<i>(7,445)</i>	<i>-</i>	<i>(716)</i>	<i>-</i>	<i>(8,161)</i>
Net insurance and reinsurance finance expenses	-	-	-	(2,188)	(2,188)
Share of profit of equity-accounted investees	-	-	-	5,005	5,005
Net investment loss	-	-	-	(20,963)	(20,963)
Other income	-	-	-	297	297
Other operating expenses	-	-	-	(1,357)	(1,357)
Other finance costs	-	-	-	(1,606)	(1,606)
Loss for the period	(7,445)	-	(716)	(20,812)	(28,973)

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Notes to the condensed consolidated interim financial information

19 Segment information (*Unaudited*) (*continued*)

Balances for segment assets and liabilities as follows

	As at 31 March 2025 (<i>Unaudited</i>)				
	Motor	Health	General	Investments	Total
	AED'000	AED'000	insurance	AED'000	AED'000
			AED'000		
Insurance contract assets	-	-	-	-	-
Reinsurance contract asset	38,299	21,479	168,813	-	228,591
Segment assets	-	-	-	1,514,818	1,514,818
Unallocated assets	-	-	-	-	136,751
Total assets	38,299	21,479	168,813	1,514,818	1,880,160
Insurance contract liabilities	315,575	211,915	17,369	-	544,859
Reinsurance contract liabilities	-	-	1,262	-	1,262
Segment liabilities	-	-	-	131,264	131,264
Unallocated liabilities	-	-	-	-	34,689
Total liabilities	315,575	211,915	18,631	131,264	712,074

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Notes to the condensed consolidated interim financial information

19 Segment information (*Unaudited*) (*continued*)

Balances for segment assets and liabilities as follows

	As at 31 December 2024 (<i>Audited</i>)				
	Motor AED'000	Health AED'000	General insurance AED'000	Investments AED'000	Total AED'000
Reinsurance contract asset	47,554	-	216,692	-	264,246
Segment assets	-	-	-	1,558,434	1,558,434
Unallocated assets	-	-	-	-	98,198
Total assets	47,554	-	216,692	1,558,434	1,920,878
Insurance contract liabilities	280,895	-	259,462	-	540,357
Reinsurance contract liabilities	(11,075)	-	29,078	-	18,003
Segment liabilities	-	-	-	105,695	105,695
Unallocated liabilities	-	-	-	-	59,345
Total liabilities	269,820	-	288,540	105,695	723,400

For management purposes, the Group is organised into departments based on the classes of insured risks. The reportable operating segments of the Group are motor, health, general insurance (which mainly comprise of property, fire, engineering, energy, liability, marine cargo and hull) and investments.

Management monitors the underwriting results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on underwriting profit. The tables above present disclosure of segment revenues, measurement of segment profit for the period and their reconciliation to the Group's income and profit for the period.

Al Wathba National Insurance Company PJSC

Notes to the condensed consolidated interim financial information

20 Investment properties

	Investment property under development AED'000	Buildings AED'000	Total AED'000
At 1 January 2025 <i>(Audited)</i>	283,900	299,315	583,215
Additions during the period	11,734	-	11,734
31 March 2025 (Unaudited)	295,634	299,315	594,949
At 1 January 2024 <i>(Audited)</i>	121,630	299,559	421,189
Additions during the year	85,080	-	85,080
Changes in fair value	77,190	(244)	76,946
31 December 2024 (Audited)	283,900	299,315	583,215

Based on management's assessment, the fair values of above investment properties have not materially changed since the last valuation as at 31 December 2024, details of these investment properties are as below:

- Buildings include: Abu Dhabi Head Office building, Al Jumeirah Island commercial villas, Al Nakheel flat, New York residential condominium units, Marina Sunset Bay Villa and Two tower flats, Dubai.
- Investment property under development in Barsha Heights, Dubai

The investment property under development includes land and building under construction located in Barsha Heights, Dubai. Additions during the three-month period ended 31 March 2025 include the construction cost incurred for the building. The freehold land in Dubai was purchased in 2004. As at 31 December 2024, the fair value of the property was estimated by an external RICS certified appraiser at AED 283,900 thousand.

21 Investment in associates

Details of the Group's associates are as follows:

Name of the associate	Principal activities	Place of incorporation	31 March 2025 <i>(Unaudited)</i> Ownership interest %	31 December 2024 <i>(Audited)</i> Ownership interest %
UR International Insurance	Insurance	Iraq	40.00%	40.00%
Hily Holding PJSC	Import and distribution of food stuff	United Arab Emirates	22.82%	22.82%

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21 Investment in associates (continued)

The movement in investment in associates during the year is as follows:

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Audited)</i> 31 December 2024 AED'000
At 1 January	142,569	145,005
Share of profit for the period / year	2,121	6,112
Share of other comprehensive income / (loss) of associates	3,369	(317)
Less: impairment charge for the period / year	-	(8,000)
Less: cash dividend received	-	(231)
As at period / year-end	148,059	142,569

22 Risk management

The Group's insurance and financial risk management policies with regards to financial instruments and insurance risk are the same as those disclosed in note 26 to the annual consolidated financial statements for the year ended 31 December 2024.

Capital risk management (Unaudited)

The Group's objectives when managing capital is to ensure ongoing and future compliance with the insurance capital requirements set by the Federal Law No. (48) of 2023 concerning the Organisation of Insurance Operations.

In UAE, the local insurance regulator specifies the minimum amount and type of capital that must be held by the Group. The minimum required capital (presented in the table below) must be maintained at all times throughout the year.

As per the Federal Law No. (48) of 2023 concerning the Organisation of Insurance Operations, the minimum capital requirement remains at AED 100 million for insurance companies. The table below summarises the Minimum Capital Requirement of the Group and the total capital held by the Group.

	<i>(Unaudited)</i> 31 March 2025 AED'000	<i>(Unaudited)</i> 31 December 2024 AED'000
Total capital held by the Group	207,000	207,000
Minimum capital requirement (MCR)	100,000	100,000
Solvency capital requirement (SCR)	344,103	334,021
Minimum guarantee fund (MGF)	114,701	111,340

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22 Risk management (continued)

Capital risk management (Unaudited) (continued)

	<i>(Unaudited)</i> 31 March 2025	<i>(Unaudited)</i> 31 December 2024
	AED'000	AED'000
<i>Own funds</i>		
Basic own funds	<u>688,568</u>	<u>679,981</u>
MCR solvency margin - (surplus)	588,568	579,981
SCR solvency margin - (surplus)	344,465	345,960
MGF solvency margin - (surplus)	573,867	568,641

The solvency margins and related disclosures included above are based on the figures prepared in accordance with the regulatory reporting requirements of the CBUAE and not in accordance with IFRS Accounting Standards.

23 Commitments and contingencies

Contingent liabilities

At 31 March 2025, the Group had contingent liabilities in respect of outstanding letters of guarantee issued in the normal course of business, amounting to AED 505 thousand (*31 December 2024: AED 505 thousand*).

Legal claims

The Group, in common with the significant majority of insurers, is subject to litigation in the normal course of the business. Management, based on advice from independent loss adjusters and internal legal counsel, has made a provision of AED 3,418 thousand (*31 December 2024: AED 4,028 thousand*) representing amounts expected to result in a probable outflow of economic resources.

24 Comparative financial information

In the prior year, the line items "Investment properties" and "Investment properties under development" were presented separately on the face of the consolidated statement of financial position.

During the current reporting period, management aggregated "Investment properties under development" with "Investment properties" on the face of the condensed consolidated interim statement of financial position instead of presenting them as separate line items. This aggregation provides more relevant and reliable information, as the property under development is aggregated with the related land and presented in the same financial statement line item. The breakdown of "Investment properties" is provided in the Note 20.

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24 Comparative financial information (continued)

Financial Statements Line Item	As at 31-Dec-2024 As previously presented AED'000	Adjustment AED'000	As at 31-Dec-2024 As represented AED'000
Investment properties	457,857	125,358	583,215
Investment property under development	125,358	(125,358)	-

There is no effect on the condensed consolidated interim statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders' equity and cashflows. Further, the above aggregation, does not have any effect on the total assets and net assets of the Group as at 31 December 2024.

Accordingly, considering the above adjustment is an aggregation of two lines items within total assets, and does not have a material qualitative impact on the condensed consolidated interim financial statements as a whole, a third balance sheet is not presented.

25 General

The condensed consolidated interim financial information of the Group was approved for issuance by the Board of Directors on 15 May 2025.

26 Subsequent events

There have been no events subsequent to the condensed consolidated interim financial information date that would significantly affect the amounts and the disclosures reported in the condensed consolidated interim financial information as at and for the period ended 31 March 2025.