Abu Dhabi National Takaful Company P.S.C.

INTERIM CONDENSED FINANCIAL STATEMENTS

30 JUNE 2025

ERNST & YOUNG MIDDLE EAST
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REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF

ABU DHABI NATIONAL TAKAFUL COMPANY P.S.C.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Abu Dhabi National Takaful Company P.S.C. (the "Company") as of 30 June 2025 which comprise the interim condensed consolidated statement of financial position as at 30 June 2025, and the related interim condensed statements of profit or loss, comprehensive income for the three month and six month periods then ended and the related interim condensed consolidated statements of changes in equity and cash flows for the six 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 six-month period ended 30 June 2024 were reviewed by another auditor who expressed an unmodified conclusion on those interim condensed financial statements on 9 August 2024.

Conclusion

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

For Ernst & Young

Walid J Nakfour
Registration No: 5479

13 August 2025
Abu Dhabi, United Arab Emirates

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

	Notes	*(Unaudited)* **30 June 2025** **AED**	*(Audited)* *31 December 2024* *AED*
ASSETS			
Takaful operations assets			
Re-takaful contract assets	10	**427,678,025**	459,140,782
Takaful contract assets	9	**-**	10,584
Prepaid expenses and other assets		**48,996,290**	24,458,416
Unit linked investments at fair value through profit or loss		**-**	393,337
Financial assets measured at fair value through other comprehensive income	6	**180,305,963**	-
Term deposits	4	**315,347,268**	412,064,840
Cash and cash equivalents	4	**72,475,769**	137,347,595
Total takaful operations assets		**1,044,803,315**	1,033,415,554
Shareholders' assets			
Property and equipment		**19,159,364**	19,706,474
Right of use assets		**8,928,499**	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		**46,891,512**	31,855,695
Financial assets measured at fair value through other comprehensive income	6	**303,322,008**	348,325,400
Financial assets measured at amortized cost		**10,283,000**	10,283,000
Investments in commodities	8	**43,667,857**	30,804,570
Term deposits	4	**56,422,057**	2,310,000
Cash and cash equivalents	4	**9,045,882**	19,244,696
Total shareholders' assets		**548,835,179**	523,775,378
TOTAL ASSETS		**1,593,638,494**	1,557,190,932
LIABILITIES, POLICYHOLDERS' FUND AND SHAREHOLDERS' EQUITY			
Takaful operations liabilities			
Takaful contract liabilities	9	**812,248,325**	839,280,880
Re-takaful contract liabilities	10	**33,233,444**	47,842,661
Accrued expenses and other liabilities		**42,053,702**	32,930,563
Total takaful operations liabilities		**887,535,471**	920,054,104
Shareholders' liabilities			
Provision for end of service benefits		**14,670,622**	13,989,707
Lease liability		**8,553,983**	9,501,999
Deferred tax liability		**2,183,044**	-
Income tax payable		**11,856,169**	7,193,212
Accrued expenses and other liabilities		**126,070,817**	111,863,622
Total shareholders' liabilities		**163,334,635**	142,548,540
Total liabilities		**1,050,870,106**	1,062,602,644

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INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION continued
As at 30 June 2025

	Notes	***(Unaudited)* 30 June 2025 AED**	*(Audited) 31 December 2024 AED*
Policyholders' fund			
Deficit of family policyholders takaful fund	11	**(4,481,698)**	(8,058,376)
Deficit of general policyholders takaful fund	11	**(21,742,474)**	(27,884,783)
Loan (Qard Hasan) from shareholders	11	**26,224,172**	35,943,159
Investment revaluation reserve	11	**(893,069)**	-
Total Policyholders' fund		**(893,069)**	-
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		**(42,589,413)**	(55,650,672)
Retained earnings		**376,183,456**	340,171,546
Total shareholders' equity		**543,661,457**	494,588,288
TOTAL LIABILITIES, POLICYHOLDERS' FUND AND SHAREHOLDERS' EQUITY		**1,593,638,494**	1,557,190,932

O. Abdeen

Khamis Buharoon
Chairman of the Board of Directors

Osama Abdeen
Chief Executive Officer

The attached notes 1 to 24 form part of these interim condensed financial statements.

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INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS

For the six-month period ended 30 June 2025

		Three months ended 30 June		*Six months ended 30 June*	
		2025	*2024*	***2025***	*2024*
		(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
	Notes	***AED***	*AED*	***AED***	*AED*
Attributable to policyholders					
Takaful revenue	14	**221,442,037**	176,835,580	**424,865,144**	366,460,598
Takaful Service expense		**(152,238,969)**	(290,853,385)	**(336,368,478)**	(457,198,681)
Allocation of re-takaful contributions paid		**(123,689,386)**	(105,405,154)	**(239,264,355)**	(209,335,464)
Amounts recovered from re-takaful contracts		**61,011,598**	197,714,239	**156,504,061**	272,868,087
Takaful service result		**6,525,280**	(21,708,720)	**5,736,372**	(27,205,460)
Investment income		**5,048,217**	5,199,959	**10,158,920**	11,555,231
Mudareb share	12	**(1,766,876)**	(1,819,986)	**(3,555,622)**	(4,044,331)
Takaful finance expenses		**(5,947,634)**	(1,942,725)	**(14,374,328)**	(4,606,437)
Re-takaful finance income		**4,858,995**	1,371,006	**11,685,123**	2,965,286
Financial takaful result		**2,192,702**	2,808,254	**3,914,093**	5,869,749
Other income/(expenses), net		**35,861**	(1,881,309)	**68,522**	(3,147,854)
Surplus/(deficit) of takaful result for the period		**8,753,843**	(20,781,775)	**9,718,987**	(24,483,565)
Attributable to shareholders					
Shareholders' investment and other income, net		**8,781,402**	6,027,943	**19,217,304**	15,085,909
Mudareb share from policyholders	12	**1,766,876**	1,819,986	**3,555,622**	4,044,331
Wakalah fees from policyholders	12	**58,155,346**	50,518,417	**110,606,018**	105,862,531
Takaful expenses		**(26,085,789)**	(16,215,957)	**(44,075,816)**	(35,786,922)
General and administrative expenses		**(19,086,748)**	(16,568,890)	**(36,616,532)**	(33,813,066)
Decrease/(increase) in provision of loan from shareholders		**8,753,843**	(20,781,775)	**9,718,987**	(24,483,565)
Profit for the period before taxation		**32,284,930**	4,799,724	**62,405,583**	30,909,218
Income tax expense		**(2,730,251)**	(318,787)	**(5,336,800)**	(2,398,365)
Profit for the period after taxation	17	**29,554,679**	4,480,937	**57,068,783**	28,510,853
Basic and diluted earnings per share	13	**0.28**	0.04	**0.54**	0.27

The attached notes 1 to 24 form part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
For the six-month period ended 30 June 2025

	Three months ended 30 June		*Six months ended 30 June*	
	2025 (Unaudited) AED	*2024 (Unaudited) AED*	***2025 (Unaudited) AED***	*2024 (Unaudited) AED*
Profit for the period	**29,554,679**	4,480,937	**57,068,783**	28,510,853
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss:				
Change in fair value of equity investments measured at fair value through other comprehensive income, net of tax	**14,704,025**	(6,461,329)	**10,103,212**	(7,599,582)
Items that may be reclassified subsequently to profit or loss:				
Change in fair value of sukuk investments measured at fair value through other comprehensive income, net of tax	**(1,578,525)**	(129,174)	**(290,963)**	(359,299)
Total other comprehensive income/(loss) for the period, net of tax	**13,125,500**	(6,590,503)	**9,812,249**	(7,958,881)
Total comprehensive income/(loss) for the period	**42,680,179**	(2,109,566)	**66,881,032**	20,551,972

The attached notes 1 to 24 form part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the six-month period ended 30 June 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	-	-	-	-	-	57,068,783	57,068,783
Other comprehensive income for the period	-	-	-	-	9,812,249	-	9,812,249
Total comprehensive income for the period	-	-	-	-	9,812,249	57,068,783	66,881,032
Loss on disposal of financial assets classified at FVTOCI, net of tax	-	-	-	-	62,498	(56,873)	5,625
Transfer of investments from Shareholders fund to Policyholders fund	-	-	-	-	3,186,512	-	3,186,512
Dividends paid during the period (note 20)	-	-	-	-	-	(21,000,000)	(21,000,000)
Balance at 30 June 2025 (unaudited)	**105,000,000**	**52,500,000**	**42,500,000**	**10,067,414**	**(42,589,413)**	**376,183,456**	**543,661,457**
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	-	-	-	-	-	28,510,853	28,510,853
Other comprehensive loss for the period	-	-	-	-	(7,958,881)	-	(7,958,881)
Total comprehensive income for the period	-	-	-	-	(7,958,881)	28,510,853	20,551,972
Loss on disposal of financial assets classified at FVTOCI, net of tax	-	-	-	-	4,138,111	(3,921,003)	217,108
Dividends paid during the period	-	-	-	-	-	(31,500,000)	(31,500,000)
Balance at 30 June 2024 (unaudited)	105,000,000	52,500,000	42,500,000	7,627,958	(57,399,400)	288,492,046	438,720,604

The attached notes 1 to 24 form part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CASH FLOWS
For the six-month period ended 30 June 2025

	Six months ended 30 June	
	(Unaudited) 2025 AED	*(Unaudited) 2024 AED*
OPERATING ACTIVITIES		
Net profit for the period before taxation	**62,405,583**	30,909,218
Adjustments for:		
Depreciation of property and equipment	**988,001**	951,958
Depreciation of right of use asset	**992,055**	-
Investment and other income	**(22,751,150)**	(26,641,140)
Net movement in provision for end of service benefits	**680,915**	434,381
Allowance for expected credit losses	**808,981**	1,005,735
Finance cost, net	**2,828,189**	1,641,151
Movement in fair value of commodities	**(7,424,647)**	(2,412,394)
Gain on disposal of investment properties	**-**	(70,000)
Gain on disposal of property and equipment	**(9,408)**	-
Operating profit before movements in working capital:	**38,518,519**	5,818,909
Increase in prepaid and other assets	**(39,573,691)**	(173,344)
Decrease / (increase) in re-takaful contract assets	**43,147,880**	(214,960,561)
Increase in takaful contract assets	**(489,416)**	(714,582)
Decrease in unit linked investments	**393,337**	477,869
(Decrease) / increase in takaful contract liabilities	**(41,406,883)**	122,059,143
(Decrease) / increase in re-takaful contract liabilities	**(14,609,217)**	14,604,879
Increase / (decrease) in accrued expenses and other liabilities	**30,530,334**	(21,844,294)
Directors' remuneration paid	**(7,200,000)**	(6,448,826)
Net cash generated from/(used in) operating activities	**9,310,863**	(101,180,807)
INVESTING ACTIVITIES		
Net movement in investments	**(121,781,045)**	7,058,775
Purchase of property and equipment	**(581,959)**	(526,814)
Proceeds from sale of property and equipment	**150,476**	-
Purchase of commodities	**(5,438,640)**	(4,874,032)
Proceeds from sale of investment properties	**-**	9,140,000
Investment and other income received	**22,751,150**	26,641,140
Net movement in term deposits	**42,605,515**	82,073,749
Net cash (used in) / generated from investing activities	**(62,294,503)**	119,512,818
FINANCING ACTIVITIES		
Lease payments	**(1,087,000)**	-
Dividends paid	**(21,000,000)**	(31,500,000)
Net cash used in financing activities	**(22,087,000)**	(31,500,000)
DECREASE IN CASH AND CASH EQUIVALENTS	**(75,070,640)**	(13,167,989)
Cash and cash equivalents at the beginning of the period	**156,592,291**	80,773,151
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**81,521,651**	67,605,162

The attached notes 1 to 24 form part of these interim condensed financial statements.

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 30 June 2025 has been authorised for issue in accordance with a resolution of the Board of Directors on 12 August 2025.

2.1 BASIS OF PREPARATION

The interim condensed financial statements for the six-month period ended 30 June 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 six-month period ended 30 June 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 SIGNIFICANT ACCOUNTING ESTIMATES, 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.

4 CASH AND CASH EQUIVALENTS

	(Unaudited) 30 June 2025 AED	*(Audited) 31 December 2024 AED*
Takaful operations assets		
Cash and bank balances	**74,475,769**	137,347,595
Term deposits	**315,573,417**	412,290,989
Expected credit loss	**(226,149)**	(226,149)
	389,823,037	549,412,435
Less: term deposits with original maturity of more than three months	**(315,573,417)**	(412,290,989)
Add: expected credit loss on term deposits	**226,149**	226,149
Cash and cash equivalents	**74,475,769**	137,347,595
Term deposits	**315,347,268**	412,064,840
Shareholders' assets		
Cash and bank balances	**9,045,882**	19,244,696
Term deposits	**56,422,057**	2,310,000
	65,467,939	21,554,696
Less: term deposits with original maturity of more than three months	**(56,422,057)**	(2,310,000)
Cash and cash equivalents	**9,045,882**	19,244,696
Term deposits	**56,422,057**	2,310,000
Takaful operations assets	**74,475,769**	137,347,595
Shareholders' assets	**9,045,882**	19,244,696
	83,521,651	156,592,291
Total cash and bank balances	**83,521,651**	156,592,291
Total term deposits	**371,769,325**	414,374,840

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).

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 3.8% per annum (31 December 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

	(Unaudited) *30 June* *2025* *AED*	*(Audited)* *31 December* *2024* *AED*
Policyholders' asset	**180,305,963**	-
Shareholders' asset	**303,322,008**	348,325,400
Financial assets measured at fair value through other comprehensive income	**483,627,971**	348,325,400

	(Unaudited) *30 June* *2025* *AED*	*(Audited)* *31 December* *2024* *AED*
Policyholders' assets		
Quoted securities		
Sukuks	**180,789,129**	-
Expected credit losses on Sukuk	**(483,166)**	-
Total securities for policyholders assets	**180,305,963**	-
Shareholders' assets		
Quoted securities		
Equity securities	**131,746,984**	54,019,611
Sukuks	**-**	129,790,705
Expected credit losses on Sukuks	**-**	(174,185)
Total quoted securities for shareholders assets	**131,746,984**	183,636,131
Unquoted securities		
Unlisted equities	**171,575,024**	164,689,269
Total unquoted securities for shareholders assets	**171,575,024**	164,689,269
Total quoted and unquoted securities for shareholders assets	**303,322,008**	348,325,400

The investments in quoted equity securities include investments made in related party amounting to AED 3,032,188 (31 December 2024: 289,280).

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

	(Unaudited) *30 June* *2025* *AED*	*(Audited)* *31 December* *2024* *AED*
At 1 January	**348,325,400**	352,579,538
Additions / (disposals), net	**121,610,401**	(3,692,418)
Change in fair value	**13,692,170**	(561,720)
At 30 June / 31 December	**483,627,971**	348,325,400

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

The geographical concentration of investments is as follows:

	(Unaudited) 30 June 2025 AED	*(Audited) 31 December 2024 AED*
Within UAE	**223,114,123**	133,044,992
Outside UAE	**260,513,848**	215,280,408
	483,627,971	348,325,400

Investments include AED 124,780,198 (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:

	Shareholders AED	*Directors and their related parties AED*	*Key management personnel AED*	*Total AED*
Balances as at 30 June 2025 (Unaudited)				
Statutory deposit (note 5)	**10,000,000**	**-**	**-**	**10,000,000**
Due from related parties	**3,002,771**	**27,313,858**	**-**	**30,316,629**
Due to a related party	**3,617,997**	**-**	**-**	**3,617,997**
Investment in sukuk	**4,554,635**	**-**	**-**	**4,554,635**
Transactions for the six-month period ended 30 June 2025 (Unaudited)				
Gross contributions written	**28,427,783**	**29,369,822**	**-**	**57,797,605**
Takaful expenses	**5,000,935**	**-**	**-**	**5,000,935**
Profit on term deposits	**905,594**	**-**	**-**	**905,594**
Profit on sukuk	**159,997**	**-**	**-**	**159,997**
Short-term benefits	**-**	**-**	**4,022,546**	**4,022,546**
Long-term benefits	**-**	**-**	**340,104**	**340,104**
Board of Directors' remuneration paid	**-**	**-**	**7,200,000**	**7,200,000**
Transactions for the three-month period ended 30 June 2025 (Unaudited)				
Gross contributions written	**27,438,669**	**28,089,436**	**-**	**55,528,105**
Takaful expenses	**2,530,402**	**-**	**-**	**2,530,402**
Profit on term deposits	**535,486**	**-**	**-**	**535,486**
Profit on sukuk	**80,764**	**-**	**-**	**80,764**
Short-term benefits	**-**	**-**	**2,114,661**	**2,114,661**
Long-term benefits	**-**	**-**	**59,588**	**59,588**
Board of Directors' remuneration paid	**-**	**-**	**7,200,000**	**7,200,000**
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

7 RELATED PARTIES continued

	Shareholders AED	*Directors and their related parties AED*	*Key management personnel AED*	*Total AED*
Transactions for the six-month period ended 30 June 2024 (Unaudited)				
Gross contributions written	26,484,978	26,442,199	-	52,927,177
Takaful expenses	3,225,808	-	-	3,225,808
Profit on term deposits	898,424	-	-	898,424
Profit on sukuk	157,128	-	-	157,128
Short-term benefits	-	-	4,211,423	4,211,423
Long-term benefits	-	-	111,103	111,103
Board of Directors’ remuneration paid	-	-	6,448,826	6,448,826
Transactions for the three-month period ended 30 June 2024 (unaudited)				
Gross contributions written	25,717,400	24,470,529	-	50,187,929
Takaful expenses	678,166	-	-	678,166
Profit on term deposits	271,099	-	-	271,099
Profit on sukuk	78,783	-	-	78,783
Short-term benefits	-	-	1,952,962	1,952,962
Long-term benefits	-	-	55,858	55,858
Board of Directors’ remuneration paid	-		6,448,826	6,448,826

8 INVESTMENTS 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 30 June 2025, the Company holds physical gold bullions having market value of AED 42,503,978 (31 December 2024: AED 30,289,215) and physical silver bullions having market value of AED 1,163,879 (31 December 2024: AED 515,355).

9 TAKAFUL CONTRACT ASSETS AND LIABILITIES

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

	LRC			*LIC for contracts under PAA*		
	Excluding loss components AED	*Loss Components AED*	*LIC for contracts not measured under PAA AED*	*Present value of future cash flows AED*	*Risk adjustment for non- financial risk AED*	*Total AED*
Opening takaful contract assets	(10,584)	-	-	-	-	(10,584)
Opening takaful contract liabilities	354,828,039	7,886,477	31,114,624	436,288,780	9,162,960	839,280,880
Net balance at 1 January 2025 (audited)	354,817,455	7,886,477	31,114,624	436,288,780	9,162,960	839,270,296
Takaful revenue	(424,865,144)	-	-	-	-	(424,865,144)
Takaful service expenses						
Incurred benefits and expenses	-	-	10,855,089	197,498,536	3,120,677	211,474,302
Changes that relate to past service - adjustments to LIC	-	-	(6,590,525)	23,813,117	(1,928,081)	15,294,511
Losses on onerous contracts and reversal of those losses	-	(1,032,167)	-	-	-	(1,032,167)
Amortisation of takaful acquisition cash flows	110,631,832	-	-	-	-	110,631,832
Takaful service expenses	110,631,832	(1,032,167)	4,264,564	221,311,653	1,192,596	336,368,478
Takaful finance expenses through profit and loss	4,267,577	232,786	615,953	9,260,927	-	14,377,243
Net foreign exchange income or expense	8	(7)	(2,916)	-	-	(2,915)
Investment components	(332,115)	-	332,115	-	-	-
Total changes in statement of profit and loss	(310,297,842)	(799,388)	5,209,716	230,572,580	1,192,596	(74,122,338)
Cash flows						
Contributions received	388,493,178	-	-	-	-	388,493,178
Claims paid	-	-	(1,789,480)	(197,293,528)	-	(199,083,008)
Directly attributable expenses paid	-	-	25,814	-	-	25,814
Takaful acquisition cash flows	(142,335,617)	-	-	-	-	(142,335,617)
Total cash flows	246,157,561	-	(1,763,666)	(197,293,528)	-	47,100,367
Net balance at 30 June 2025	290,677,174	7,087,089	34,560,674	469,567,832	10,355,556	812,248,325
Closing takaful contract assets	-	-	-	-	-	-
Closing takaful contract liabilities	290,677,174	7,087,089	34,560,674	469,567,832	10,355,556	812,248,325
Net closing balance 30 June 2025 (unaudited)	290,677,174	7,087,089	34,560,674	469,567,832	10,355,556	812,248,325

9 TAKAFUL CONTRACT ASSETS AND LIABILITIES continued

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

	LRC			*LIC for contracts under PAA*		
	Excluding loss components AED	*Loss Components AED*	*LIC for contracts not measured under PAA AED*	*Present value of future cash flows AED*	*Risk adjustment for non- financial risk AED*	*Total AED*
Opening takaful contract assets	(3,638,846)	-	-	2,271,137	158,728	(1,208,981)
Opening takaful contract liabilities	329,973,926	15,970,064	31,612,781	230,769,198	10,487,868	618,813,837
Net balance at 1 January 2024	326,335,080	15,970,064	31,612,781	233,040,335	10,646,596	617,604,856
Takaful revenue	(756,906,266)	-	-	-	-	(756,906,266)
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	207,464,402	-	-	-	-	207,464,402
Takaful service expenses	207,464,402	(8,004,007)	8,138,902	564,049,091	(1,483,636)	770,164,752
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	(3,348,717)	-	3,348,717	-	-	-
Total changes in statement of profit and loss	(547,546,749)	(8,083,587)	12,350,943	570,703,616	(1,483,636)	25,940,587
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	(215,345,574)	-	-	-	-	(215,345,574)
Total cash flows	576,029,124	-	(12,849,100)	(367,455,171)	-	195,724,853
Net balance at 31 December 2024	354,817,455	7,886,477	31,114,624	436,288,780	9,162,960	839,270,296
Closing takaful contract assets	(10,584)	-	-	-	-	(10,584)
Closing takaful contract liabilities	354,828,039	7,886,477	31,114,624	436,288,780	9,162,960	839,280,880
Net closing balance 31 December 2024	354,817,455	7,886,477	31,114,624	436,288,780	9,162,960	839,270,296

9 TAKAFUL CONTRACT ASSETS AND LIABILITIES continued

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

	Present value of future cash flows AED	***Risk adjustment for non-financial risk AED***	***CSM AED***	***Total AED***
Opening takaful contract assets	-	-	-	-
Opening takaful contract liabilities	**152,393,761**	**5,917,329**	**15,281,338**	**173,592,428**
Net balance at 1 January 2025 (audited)	**152,393,761**	**5,917,329**	**15,281,338**	**173,592,428**
Changes related to current services				
CSM recognized for service provided	-	-	**(8,400,378)**	**(8,400,378)**
Risk adjustment recognized for the risk expired	-	**(409,214)**	-	**(409,214)**
Experience adjustments	**3,406,411**	**182,768**	-	**3,589,179**
	3,406,411	**(226,446)**	**(8,400,378)**	**(5,220,413)**
Changes related to future services				
Contracts initially recognized in the period	**(1,381,615)**	**285,473**	**1,096,142**	-
Changes in estimates that adjust CSM	**(2,385,286)**	**(5,802,618)**	**8,187,904**	-
Changes in estimates that result in onerous contracts or reversal of losses	**(1,124,384)**	**5,665,455**	-	**4,541,071**
	(4,891,285)	**148,310**	**9,284,046**	**4,541,071**
Changes that relate to past service				
Changes that relate to past service – adjustments to LIC	**(6,578,508)**	**(12,019)**	-	**(6,590,527)**
Takaful Service result	**(8,063,382)**	**(90,155)**	**883,668**	**(7,269,869)**
Takaful finance expenses through profit and loss	**4,823,630**	-	**292,688**	**5,116,318**
Net foreign exchange income or expense	**(2,781)**	**(139)**	**4**	**(2,916)**
Total changes in statement of profit and loss	**(3,242,533)**	**(90,294)**	**1,176,360**	**(2,156,467)**
Cash flows				
Contribution received	**(3,924,265)**	-	-	**(3,924,265)**
Claims paid	**(1,789,480)**	-	-	**(1,789,480)**
Directly attributable expenses paid	**25,814**	-	-	**25,814**
Takaful acquisition cash flows	**(1,221,102)**	-	-	**(1,221,102)**
Total cash flow	**(6,909,033)**	-	-	**(6,909,033)**
Net balance at 30 June 2025	**142,242,195**	**5,827,035**	**16,457,698**	**164,526,928**
Closing takaful contract assets	-	-	-	-
Closing takaful contract liabilities	**142,242,195**	**5,827,035**	**16,457,698**	**164,526,928**
Net closing balance 30 June 2025 (unaudited)	**142,242,195**	**5,827,035**	**16,457,698**	**164,526,928**

9 TAKAFUL CONTRACT ASSETS AND LIABILITIES continued

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

	Present value of future cash flows AED	*Risk adjustment for non-financial risk AED*	*CSM AED*	*Total AED*
Opening takaful contract assets	-	-	-	-
Opening takaful contract liabilities	154,773,837	7,871,468	24,554,650	187,199,955
Net balance at 1 January 2024	154,773,837	7,871,468	24,554,650	187,199,955
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	5,909,861	175,718	-	6,085,579
	5,909,861	(897,108)	(6,821,093)	(1,808,340)
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	7,219,756	(223,481)	-	6,996,275
	12,105,368	(850,326)	(3,467,748)	7,787,294
Changes that relate to past service				
Changes that relate to past service – adjustments to LIC	(12,679,443)	(206,706)	-	(12,886,149)
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	(22)	1	9	(12)
Total changes in statement of profit and loss	10,347,835	(1,954,139)	(9,273,312)	(879,616)
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	(2,658,912)	-	-	(2,658,912)
Total cash flow	(12,727,911)	-	-	(12,727,911)
Net balance at 31 December 2024	152,393,761	5,917,329	15,281,338	173,592,428
Closing takaful contract assets	-	-	-	-
Closing takaful contract liabilities	152,393,761	5,917,329	15,281,338	173,592,428
Net closing balance 31 December 2024	152,393,761	5,917,329	15,281,338	173,592,428

10 RE-TAKAFUL CONTRACTS ASSETS AND LIABILITIES

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

				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	**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)	**41,058,831**	**6,086,835**	**29,975,709**	**327,021,391**	**7,155,355**	**411,298,121**
Allocation of re-takaful contribution	**(239,264,355)**	**-**	**-**	**-**	**-**	**(239,264,355)**
Amounts recovered from re-takaful contracts						
Amounts recoverable for claims and other expenses	**-**	**-**	**10,804,765**	**143,609,550**	**2,562,870**	**156,977,185**
Changes that relate to past service – adjustments to AIC	**-**	**-**	**(6,817,342)**	**8,383,926**	**(1,683,012)**	**(116,428)**
Changes in loss recovery component	**-**	**(357,317)**	**-**	**-**	**-**	**(357,317)**
Effect of changes in the risk of reinsurers non-performance	**5,723**	**-**	**(222)**	**(4,880)**	**-**	**621**
Amounts recovered from re-takaful contracts	**5,723**	**(357,317)**	**3,987,201**	**151,988,596**	**879,858**	**156,504,061**
Re-takaful finance income through profit and loss	**3,821,547**	**-**	**595,112**	**7,271,435**	**-**	**11,688,094**
Net foreign exchange income or expense	**(15)**	**21**	**(2,977)**	**-**	**-**	**(2,971)**
Total changes in statement of profit and loss	**(235,437,100)**	**(357,296)**	**4,579,336**	**159,260,031**	**879,858**	**(71,075,171)**
Cash flows						
Contributions paid to re-takaful	**198,248,363**	**-**	**-**	**-**	**-**	**198,248,363**
Recoveries from re-takaful	**-**	**-**	**(1,212,568)**	**(142,814,164)**	**-**	**(144,026,732)**
Total cash flows	**198,248,363**	**-**	**(1,212,568)**	**(142,814,164)**	**-**	**54,221,631**
Net balance at 30 June 2025	**3,870,094**	**5,729,539**	**33,342,477**	**343,467,258**	**8,035,213**	**394,444,581**
Closing re-takaful contract assets	**73,022,236**	**5,729,539**	**33,342,477**	**309,179,416**	**6,404,357**	**427,678,025**
Closing re-takaful contract liabilities	**(69,152,142)**	**-**	**-**	**34,287,842**	**1,630,856**	**(33,233,444)**
Net closing balance 30 June 2025 (unaudited)	**3,870,094**	**5,729,539**	**33,342,477**	**343,467,258**	**8,035,213**	**394,444,581**

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

10 RE-TAKAFUL CONTRACTS ASSETS AND LIABILITIES continued

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

	Present value of future cash flows AED	*Risk adjustment for non-financial risk AED*	*CSM AED*	*Total AED*
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)	(5,058,784)	4,938,546	25,136,332	25,016,094
Changes related to current services				
CSM recognized for services received	-	-	(1,996,502)	(1,996,502)
Risk adjustment recognized for the risk expired	-	(350,719)	-	(350,719)
Experience adjustments	4,150,534	172,598	-	4,323,132
	4,150,534	(178,121)	(1,996,502)	1,975,911
Changes related to future services				
Contracts initially recognized in the period	(1,308,938)	458,111	850,827	-
Changes in estimates that adjust CSM	2,762,424	(360,399)	(2,402,025)	-
Changes in loss recovery component	-	-	(1,370,805)	(1,370,805)
	1,453,486	97,712	(2,922,003)	(1,370,805)
Changes that relate to past service				
Changes that relate to past service – adjustments to AIC	(6,807,922)	(9,420)	-	(6,817,342)
Effect of changes in the risk of reinsurers non-performance	5,501	-	-	5,501
Takaful Service result	(1,198,401)	(89,829)	(4,918,505)	(6,206,735)
Takaful finance income through profit and loss	4,046,254	-	370,405	4,416,659
Net foreign exchange income or expense	(2,837)	(142)	8	(2,971)
Total changes in statement of profit and loss	2,845,016	(89,971)	(4,548,092)	(1,793,047)
Cash flows				
Contributions paid to re-takaful	11,487,742	-	-	11,487,742
Recoveries from re-takaful	(1,212,568)	-	-	(1,212,568)
Total cash flows	10,275,174	-	-	10,275,174
Net closing balance 30 June 2025	8,061,406	4,848,575	20,588,240	33,498,221
Closing re-takaful contract assets	8,061,406	4,848,575	20,588,240	33,498,221
Closing re-takaful contract liabilities	-	-	-	-
Net closing balance 30 June 2025 (unaudited)	8,061,406	4,848,575	20,588,240	33,498,221

10 RE-TAKAFUL CONTRACTS ASSETS AND LIABILITIES continued

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

	Present value of future cash flows AED	*Risk adjustment for non-financial risk AED*	*CSM AED*	*Total AED*
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	9,250,517	166,232	-	9,416,749
	9,250,517	(580,000)	(5,502,710)	3,167,807
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	-	-	5,967,304	5,967,304
	(1,077,357)	(263,795)	7,308,456	5,967,304
Changes that relate to past service				
Changes that relate to past service – adjustments to AIC	(15,437,575)	(186,674)	-	(15,624,249)
Effect of changes in the risk of reinsurers non-performance	(466,017)	-	-	(466,017)
Takaful Service result	(7,730,432)	(1,030,469)	1,805,746	(6,955,155)
Takaful finance income through profit and loss	5,147,374	-	753,995	5,901,369
Net foreign exchange income or expense	6	-	(6)	-
Total changes in statement of profit and loss	(2,583,052)	(1,030,469)	2,559,735	(1,053,786)
Cash flows				
Contributions paid to re-takaful	13,817,603	-	-	13,817,603
Recoveries from re-takaful	(8,034,752)	-	-	(8,034,752)
Total cash flows	5,782,851	-	-	5,782,851
Net closing balance 31 December 2024	(5,058,784)	4,938,546	25,136,332	25,016,094
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	(5,058,784)	4,938,546	25,136,332	25,016,094

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

	Deficit of life policyholders' funds AED	*Deficit of general policyholders takaful funds AED*	*Loan from shareholders AED*	*Investment revaluation reserve AED*	*Total AED*
At 1 January 2025 (audited)	**(8,058,376)**	**(27,884,783)**	**35,943,159**	**-**	**-**
Surplus during the period	**3,576,678**	**6,142,309**	**-**	**-**	**9,718,987**
Loan (Qard Hasan) paid back to shareholders	**-**	**-**	**(9,718,987)**	**-**	**(9,718,987)**
Transfer on investment from shareholders to policyholders	**-**	**-**	**-**	**(3,186,512)**	**(3,186,512)**
Unrealised gain on investments, net of tax	**-**	**-**	**-**	**2,378,889**	**2,378,889**
Realised gain on investments	**-**	**-**	**-**	**(85,446)**	**(85,446)**
At 30 June 2025 (unaudited)	**(4,481,698)**	**(21,742,474)**	**26,224,172**	**(893,069)**	**(893,069)**
At 1 January 2024 (audited)	(16,769,788)	(1,220,609)	17,990,397	-	-
Deficit during the period	8,711,412	(26,664,174)	-	-	(17,952,762)
Loan (Qard Hasan) from shareholders	-	-	17,952,762	-	17,952,762
At 31 December 2024 (audited)	(8,058,376)	(27,884,783)	(35,943,159)	-	-

12 MUDAREB SHARE AND WAKALAH FEES

The shareholders manage the policyholders' investment fund and charge 35% (30 June 2024: 35%) of investment income earned by policyholders' investment fund as mudareb share.

The shareholders manage the takaful operations for the policyholders and charge 27.1% (30 June 2024: 25.7%) 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:

	Three months ended 30 June		***Six months ended 30 June***	
	2025 (Unaudited) AED	*2024 (Unaudited) AED*	***2025 (Unaudited) AED***	*2024 (Unaudited) AED*
Profit for the period (AED)	**29,554,679**	4,480,937	**57,068,783**	28,510,853
Weighted average number of shares	**105,000,000**	105,000,000	**105,000,000**	105,000,000
Basic and diluted earnings per share (AED)	**0.28**	0.04	**0.54**	0.27

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

14 TAKAFUL REVENUE

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

	Three months ended 30 June		*Six months ended 30 June*	
	2025 (Unaudited) AED	*2024 (Unaudited) AED*	***2025 (Unaudited) AED***	*2024 (Unaudited) AED*
Amounts relating to changes in LFRC				
Expected benefits incurred	**3,125,897**	3,501,538	**5,745,072**	6,942,347
Expected expenses incurred	**207,710**	228,778	**(5,148,608)**	498,924
Change in the risk adjustment	**179,742**	47,312	**324,487**	295,156
CSM recognized	**1,385,016**	656,746	**8,400,378**	2,154,806
Recovery of acquisition cash flows	**669,448**	302,630	**1,300,247**	606,253
Contracts not measured under PAA	**5,567,813**	4,737,004	**10,621,576**	10,497,486
Contracts measured under PAA	**215,874,224**	172,098,576	**414,243,568**	355,963,112
Total takaful revenue	**221,442,037**	176,835,580	**424,865,144**	366,460,598

15 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:

15 SEGMENT INFORMATION continued

Segment revenue and results

	Six month ended 30 June 2025 (unaudited)			Six month ended 30 June 2024 (unaudited)		
	Attributable to policyholder AED	Attributable to shareholders AED	Total AED	Attributable to policyholder AED	Attributable to shareholders AED	Total AED
Takaful revenue	**424,865,144**	-	**424,865,144**	366,460,598	-	366,460,598
Takaful service expense	**(336,368,478)**	-	**(336,368,478)**	(457,198,681)	-	(457,198,681)
Allocation of re-takaful contributions paid	**(239,264,355)**	-	**(239,264,355)**	(209,335,464)	-	(209,335,464)
Amounts recovered from re-takaful contracts	**156,504,061**	-	**156,504,061**	272,868,087	-	272,868,087
Takaful service result	**5,736,372**	-	**5,736,372**	(27,205,460)	-	(27,205,460)
Investment income	**10,158,920**	-	**10,158,920**	11,555,231	-	11,555,231
Mudareb share	**(3,555,622)**	-	**(3,555,622)**	(4,044,331)	-	(4,044,331)
Takaful finance expenses for takaful contracts issued	**(14,374,328)**	-	**(14,374,328)**	(4,606,437)	-	(4,606,437)
Re-takaful finance income for re-takaful contracts held	**11,685,123**	-	**11,685,123**	2,965,286	-	2,965,286
Net financial takaful result	**3,914,093**	-	**3,914,093**	5,869,749	-	5,869,749
Other income (expenses), net	**68,522**	-	**68,522**	(3,147,854)	-	(3,147,854)
Surplus / (deficit) of takaful result for the period	**9,718,987**	-	**9,718,987**	(24,483,565)	-	(24,483,565)
Shareholders' investment and other income, net	-	**19,217,304**	**19,217,304**	-	15,085,909	15,085,909
Mudareb share from policyholders	-	**3,555,622**	**3,555,622**	-	4,044,331	4,044,331
Wakalah fees from policyholders	-	**110,606,018**	**110,606,018**	-	105,862,531	105,862,531
Takaful expenses	-	**(44,075,816)**	**(44,075,816)**	-	(35,786,922)	(35,786,922)
General and administrative expenses	-	**(36,616,532)**	**(36,616,532)**	-	(33,813,066)	(33,813,066)
Profit before tax	**9,718,987**	**52,686,596**	**62,405,583**	(24,483,565)	55,392,783	30,909,218

Segment assets and liabilities

	As at 30 June 2025 (Unaudited)			As at 31 December 2024 (Audited)		
	Attributable to policyholder	Attributable to shareholders	Total	Attributable to policyholder	Attributable to shareholders	Total
Segment assets	**1,044,803,315**	**548,835,179**	**1,593,638,494**	1,033,415,554	523,775,378	1,557,190,932
Segment liabilities	**887,535,471**	**163,334,635**	**1,050,870,106**	920,054,104	142,548,540	1,062,602,644

Segment liabilities attributable to policyholders and segment assets attributable to shareholders are presented after elimination of inter segment balance of AED 158,160,913 (31 December 2024: AED 113,361,450).

16 SEASONALITY OF RESULTS

No income of seasonal nature was recorded in the interim condensed statement of profit or loss for the six-month period ended 30 June 2025 and 2024.

17 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 57,068,783 (30 June 2024: AED 28,510,853).

18 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.

19 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.

	Level 1 AED	*Level 2 AED*	*Level 3 AED*	*Total AED*
30 June 2025 (Unaudited)				
Financial assets measured at fair value through other comprehensive income	**312,052,947**	**-**	**171,575,024**	**483,627,971**
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	183,636,131	-	164,689,269	348,325,400
	184,029,468	-	164,689,269	348,718,737

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.

20 DIVIDENDS

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 and paid during the period ended 30 June 2025.

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.

21 SOLVENCY MARGIN continued

	(Unaudited) ***30 June 2025*** ***AED***	*(Unaudited)* *31 December 2024* *AED*
Minimum Capital Requirement (MCR)	**100,000,000**	100,000,000
Solvency Capital Requirement (SCR)	**152,384,481**	111,868,759
Minimum Guarantee Fund (MGF)	**86,157,844**	80,662,142
Basic Own Funds	**402,717,285**	387,024,475
MCR Solvency Margin – Surplus	**302,717,285**	287,024,475
SCR Solvency Margin – Surplus	**250,332,804**	275,155,716
MGF Solvency Margin – Surplus	**316,559,441**	306,362,333

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 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.

24 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:

	(Unaudited) **30 June 2025 AED**	*(Audited)* *31 December 2024 AED*
ASSETS		
Property and equipment	**19,159,364**	19,706,474
Right of use assets	**8,928,499**	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	**95,887,802**	56,314,111
Re-takaful contract assets	**427,678,025**	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	**483,627,971**	348,325,400
Financial assets measured at amortized cost	**10,283,000**	10,283,000
Investment in commodities	**43,667,857**	30,804,570
Term deposits	**371,769,325**	414,374,840
Cash and cash equivalents	**81,521,651**	156,592,291
TOTAL ASSETS	**1,593,638,494**	1,557,190,932
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Provision for end of service benefits	**14,670,622**	13,989,707
Lease liability	**8,553,983**	9,501,999
Deferred tax liability	**2,183,044**	-
Income tax payable	**11,856,169**	7,193,212
Re-takaful contract liabilities	**33,233,444**	47,842,661
Takaful contract liabilities	**918,704,123**	916,777,048
Accrued expenses and other liabilities	**61,668,721**	67,298,017
Total liabilities	**1,050,870,106**	1,062,602,644
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	**(43,482,482)**	(55,650,672)
Retained earnings	**376,183,456**	340,171,546
Total equity	**542,768,388**	494,588,288
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,593,638,494**	1,557,190,932

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.

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

Takaful contract liabilities	***(Unaudited) 30 June 2025 AED***	*(Audited) 31 December 2024 AED*
Takaful contract liabilities – takaful presentation	**812,248,325**	839,280,880
Add: deferred wakalah net of deferred acquisition cost – classified within accrued expenses and other liabilities in takaful presentation	**106,455,798**	77,496,168
	918,704,123	916,777,048

Accrued expenses and other liabilities	***(Unaudited) 30 June 2025 AED***	*(Audited) 31 December 2024 AED*
Accrued expense and other liabilties – takaful presentation	**168,124,519**	144,794,185
Less: deferred wakalah net of deferred acquisition cost – classified within accrued expenses and other liabilities in takaful presentation	**(106,455,798)**	(77,496,168)
	61,668,721	67,298,017

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

	Three months ended 30 June		***Six months ended 30 June***	
	2025 (Unaudited) AED	*2024 (Unaudited) AED*	***2025 (Unaudited) AED***	*2024 (Unaudited) AED*
Takaful revenue	**221,442,037**	176,835,580	**424,865,144**	366,460,598
Takaful service expense	**(120,169,412)**	(256,550,925)	**(269,838,276)**	(387,123,072)
Allocation of re-takaful contributions paid	**(123,689,386)**	(105,405,154)	**(239,264,355)**	(209,335,464)
Amounts recovered from re-takaful contracts	**61,011,598**	197,714,239	**156,504,061**	272,868,087
Takaful service result	**38,594,837**	12,593,740	**72,266,574**	42,870,149
Investment income	**13,829,619**	11,227,902	**29,376,224**	26,641,140
Other income (expenses), net	**8,495,216**	(1,881,309)	**68,522**	(3,147,854)
Takaful finance expenses for takaful contracts issued	**(21,200,456)**	(1,942,725)	**(14,374,328)**	(4,606,437)
Re-takaful finance income for re-takaful contracts held	**11,652,462**	1,371,006	**11,685,123**	2,965,286
General and administrative expenses	**(19,086,748)**	(16,568,890)	**(36,616,532)**	(33,813,066)
Profit before tax	**32,284,930**	4,799,724	**62,405,583**	30,909,218
Income tax expense	**(2,730,251)**	(318,787)	**(5,336,800)**	(2,398,365)
Profit for the period	**29,554,679**	4,480,937	**57,068,783**	28,510,853
Basic and diluted earnings per share	**0.28**	0.04	**0.54**	0.27