Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)
Dubai - United Arab Emirates

Independent auditor's review report and condensed consolidated interim financial statements

For the six months period ended June 30, 2025 (Unaudited)

Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)

Dubai - United Arab Emirates
Table of contents

Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)

Dubai - United Arab Emirates
General information

Principal office address	:	Gulf Tower - B1 Mezzanine Floor, Oud Metha Road, Bur Dubai, Dubai, United Arab Emirates P.O. Box: 157 T: +97143193111		
Website	:	www.aman.ae		
The Directors:	:	Name	Nationality	Position
		Mr. Jamal Ahmed Mohamed Al Jasmi	Emirati	Chairman
		Mr. Ali Ahmad Al Najjar	Emirati	Vice Chairman
		Mr. Ahmed Khalifa Al Qubaisi	Emirati	Member
		Mr. Ibrahim Hamad Taher Al Ramsi	Emirati	Member
		Mr. Anis Samet	Canadian	Member
		Ms. Najla Ghuloom Ali Karam	Emirati	Member
The Manager	:	Mr. Rached Mohamad Rached Diab	Lebanese	
The Auditor	:	Crowe Mak P.O. Box: 6747 Dubai - United Arab Emirates		

AMAN

رقم القيد في سجل شركات التأمين: 70 بتاريخ 16/9/2003
Register of Insurance Companies entry: 70 dated 16/9/2003
Commercial License No. 543043 :رخصه تجارية رقم

Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)
Dubai - United Arab Emirates

Directors' report

The Board of Directors have pleasure in presenting their report and the reviewed condensed consolidated interim financial statements for the period ended June 30, 2025.

Principal activities of the Group

The principal activities of Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C) (the "Parent Company") and its subsidiaries (collectively referred to as the "Group") are fire insurance, health insurance, reinsurance, accidents & civil liabilities, credit & saving insurance, life reinsurance, life insurance, motor, marine, aviation & transport insurance and other types of insurance.

Financial review

The table below summarizes the results of Six months period ended June 30, 2025 and June 30, 2024 denoted in Arab Emirates Dirham (AED).

	Three months period ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Net loss for the period	**(9,431,905)**	(10,489,455)
Basic and diluted loss per share	**(0.042)**	(0.046)

Role of the Directors

The Directors are the Group's principal decision-making forum. The Directors have the overall responsibility for leading and supervising the Group for delivering sustainable shareholders value through its guidance and supervision of the Group's business. The Directors set the strategies and policies of the Group. They monitor performance of the Group's business, guide and supervise its management.

Events after period end

In the opinion of the Directors, no transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect, substantially the result of the operations or the financial position of the Group.

Statement of Directors' responsibilities

The applicable requirements require the Directors to prepare the condensed consolidated interim financial statements for each financial period which presents fairly in all material respects, the consolidated financial position of the Group and its consolidated financial performance for the period then ended.

The condensed consolidated interim financial statements for the period under review, have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the condensed consolidated financial position of the Group and enables them to ensure that the condensed consolidated interim financial statements comply with the requirements of applicable statute. The Directors also confirm that the accounting policies and methods of computation adopted in preparing these condensed consolidated interim financial statements are consistent with those used in the audited consolidated financial statements for the year ended December 31, 2024, which are the latest audited consolidated financial statements available, that reflect fairly the form and substance of the transactions carried out during the period under review and reasonably present the Group's financial conditions and results of its operations.

The Board reviewed the Company's financial statements, noting that the current Board was appointed by the Annual General Meeting held on 25/09/2025.

These condensed consolidated interim financial statements were approved by the Board and signed by the authorized representative of the Group.

Jamal Ahmed Mohamed Al Jasmi
Chairman
November 27, 2025

Crowe

Crowe Mak
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Ref: Nv/NC/HO1975/09 JUN 2025

Independent auditor's review report on condensed consolidated interim financial statements

To,
The Shareholders
Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)
P.O. Box : 157
Dubai, United Arab Emirates

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C) (the "Parent Company") and its subsidiaries (together the "Group") which comprise the condensed consolidated interim statement of financial position as at June 30, 2025, and the condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity, condensed consolidated interim statement of cash flows for the six months period then ended and the explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the entity". A review of interim consolidated financial statements consist 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 of 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.

Basis for Disclaimer of Conclusion

We draw attention to Note 2 to the condensed consolidated interim financial statements, which indicates that the Group incurred a loss of AED 9,431,905 for the six months period ended June 30, 2025 (June 30, 2024: AED 10,489,455), but had accumulated losses of AED 190,430,242 as at that date (December 31, 2024: AED 181,408,876), which represents 84.35% (December 31, 2024: 80.36%) of the Group's share capital. Additionally, as disclosed in Note 25 to this condensed consolidated interim financial statements, as of June 30, 2025, the Group has Minimum Capital Requirement (MCR) Solvency Margin Deficit, Solvency Capital Requirement (SCR) Solvency Margin Deficit, and Minimum Guarantee Fund (MGF) Solvency Margin Deficit in solvency capital requirements as stipulated by the Central Bank of the U.A.E. by the amounts of AED 83,730,229 (December 31, 2024: AED 106,256,484), AED 592,737 (December 31, 2024: AED 25,504,031) and AED 7,730,229 (December 31, 2024: AED 31,256,484) respectively.

Furthermore, the Group's Third-Party Administrator (TPA) and system provider for the individual life portfolio is now under liquidation in Germany and DIFC, respectively. The TPA previously made certain investments on behalf of the Group which were recorded at fair value through profit or loss. These investments were made in sukuk unit-linked investments, a portion of which were issued by entities related to the TPA Group without receiving prior approval of the Group's management and these entities are currently in liquidation. As a result, the valuation of these investments could be adversely affected by the liquidation process and this could potentially result in the Group's liabilities being over and above the value of the underlying assets.

These events, along with other matters set forth in Note 2, indicate that material uncertainty exists which may cast significant doubt on the Group's ability to continue as a going concern, for which there do not appear to be any mitigating factors to support the going concern basis. Consequently, our observation is that the going concern basis of preparation of the condensed consolidated interim financial statements is not appropriate, and the adjustments that might be required to the condensed consolidated interim financial statements in relation to this matter have not been determined.

We draw attention to Note 7 to the condensed consolidated interim financial statements, which indicates that, as of June 30, 2025, the Group held unit-linked investments recorded at fair value through profit or loss of policyholder amounting to AED 412,415,259. We were unable to perform review procedures to confirm the existence, completeness, and valuation of these unit-linked investments, along with the related unit-linked life liabilities of AED 478,118,094 included in takaful contract liabilities.

Crowe

<u>**Independent auditor's review report on condensed consolidated interim financial statements**</u>

To the Shareholders of Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)

Report on the review of condensed consolidated interim financial statements (continued)

Disclaimer of Conclusion

Due to the significance and pervasiveness of the matters described in the Basis for Disclaimer of Conclusion paragraph and their possible cumulative impact on the condensed consolidated interim financial statements, we were unable to perform review and other related procedures necessary to obtain sufficient appropriate evidence to form a conclusion on the accompanying condensed consolidated interim financial statements. Accordingly, we do not express a conclusion on these condensed consolidated interim financial statements as at June 30, 2025.

Other Matter

The condensed consolidated interim financial statements for the six months period ended June 30, 2024, were reviewed by another auditor, who issued a Adverse Conclusion in their report dated August 15, 2024.
Subsequently, the consolidated financial statements for the year ended December 31, 2024, were audited by the same auditor, who issued a Disclaimer of Opinion in their report dated April 18, 2025.

Emphasis of Matters

We draw attention to Note 14 to the condensed consolidated interim financial statements, which discloses information on assets that are held by a related party for the beneficial interest of the Group.

Additionally, we draw attention to Note 3 to the condensed consolidated interim financial statements, which describes the restatement of the comparative information for the six months period ended June 30, 2025, due to the retrospective application of IFRS 17 Insurance Contracts. IFRS 17 was effective from January 1, 2023, but was not applied in the previously issued condensed consolidated interim financial statements.

Our review conclusion is not modified as a result of the above matters.

For, Crowe Mak

Basil

كرو ماك
P.O.Box : 6747
DUBAI - UAE
CROWE MAK

Basil Naser
Partner
Registration Number: 5507
Dubai, United Arab Emirates
November 27, 2025

Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)

Dubai - United Arab Emirates
Condensed consolidated interim statement of financial position as at June 30, 2025 (Unaudited)
In Arab Emirates Dirham

	Notes	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Assets			
Takaful operations' assets			
Takaful contract assets	6	**14,268,256**	5,682,463
Retakaful contract assets	6	**148,819,104**	149,848,244
Financial assets measured at fair value through profit or loss (FVTPL)	7	**412,415,259**	508,571,028
Cash and cash equivalents	8	**98,338,910**	72,443,638
Investment property		**10,139,386**	10,139,386
Due from shareholders		**64,822,905**	67,585,453
Total takaful operations' assets		**748,803,820**	814,270,212
Shareholders' assets			
Property and equipment	5	**42,396**	59,527
Financial assets carried at fair value through other comprehensive income (FVTOCI)	7	**21,639,372**	22,414,284
Financial assets carried at fair value through profit or loss (FVTPL)	7	**904,300**	723,400
Cash and cash equivalents	8	**48,519,464**	60,598,935
Prepayments and other receivables	9	**5,451,091**	6,305,294
Investment property		**44,068,558**	44,068,558
Statutory deposit	12	**10,000,000**	10,000,000
Assets classified as held for sale	14	**1,583,321**	1,583,321
Total shareholders' assets		**132,208,502**	145,753,319
Total assets		**881,012,322**	960,023,531
Liabilities, policyholders' fund and shareholders' equity			
Takaful operations' liabilities			
Takaful contract liabilities	6	**575,539,703**	677,169,729
Retakaful contract liabilities	6	**53,166,475**	63,925,077
Trade and other payables	13	**93,151,546**	65,994,154
Amounts held under retakaful treaties	23	**69,159**	136,076
Total takaful operations' liabilities		**721,926,883**	807,225,036
Takaful operations' surplus			
Deficit in policyholders' fund	15	**(14,317,643)**	(35,639,359)
Qard Hassan from shareholders	15	**38,311,454**	39,901,822
Retakaful default reserve		**3,457,533**	3,357,120
Takaful operations' investments revaluation reserve	23	**(574,407)**	(574,407)
Total surplus from takaful operations		**26,876,937**	7,045,176
Total takaful operations' liabilities and surplus		**748,803,820**	814,270,212

Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)

Dubai - United Arab Emirates

Condensed consolidated interim statement of financial position as at June 30, 2025 (Unaudited)

In Arab Emirates Dirham

	Notes	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Shareholders' liabilities and equity			
Shareholders' liabilities			
Employees' end of service benefits	11	**2,181,520**	2,540,247
Trade and other payables	13	**22,995,809**	24,069,527
Unearned wakala		**267,879**	385,027
Due to policyholders		**64,822,905**	67,585,453
Liabilities directly associated with assets classified as held for sale	14	**12,947,356**	12,947,356
Total shareholders' liabilities		**103,215,469**	107,527,610
Shareholders' equity			
Share capital	10	**225,750,000**	225,750,000
Legal reserve		**6,420,521**	6,420,521
General reserve		**6,420,521**	6,420,521
Accumulated losses		**(190,430,242)**	(181,408,876)
Investments revaluation reserve – FVTOCI		**(17,841,794)**	(17,630,484)
Equity attributable to shareholders of the Parent		**30,319,006**	39,551,682
Non-controlling interests		**(1,325,973)**	(1,325,973)
Net equity		**28,993,033**	38,225,709
Total shareholders' liabilities and equity		**132,208,502**	145,753,319
Total takaful operations' liabilities and surplus, shareholders' liabilities and equity		**881,012,322**	960,023,531

The accompanying notes form an integral part of these condensed consolidated interim financial statements.
The review report of the auditor is set out on pages 3 to 4.

The Board reviewed the Company's financial statements, noting that the current Board was appointed by the Annual General Meeting held on 25/09/2025.

The condensed consolidated interim financial statements on pages 5 to 47 were approved on November 27, 2025 and signed on behalf of the Group by:

Rached Diab
Chief Executive Officer

Jamal Ahmed Mohamed Al Jasmi
Chairman

Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)

Dubai - United Arab Emirates

Condensed consolidated interim statement of profit or loss and other comprehensive income for the six months period ended June 30, 2025 (Unaudited)

In Arab Emirates Dirham

	Notes	Six months period ended June 30,		Three months period ended June 30,	
		2025	2024	**2025**	2024
		(Unaudited)	(Restated)	**(Unaudited)**	(Restated)
Attributable to policyholder					
Takaful revenue	16	**22,486,525**	28,191,383	**12,778,622**	12,393,471
Takaful service income	17	**11,575,437**	8,298,747	**3,517,966**	2,109,045
Takaful service results before retakaful contracts held		**34,061,962**	36,490,130	**16,296,588**	14,502,516
Retakaful expenses - (net)		**(14,381,303)**	(38,606,888)	**(16,772,275)**	(18,803,861)
Takaful service results		**19,680,659**	(2,116,758)	**(475,687)**	(4,301,345)
Takaful finance expense for takaful contracts issued		**(1,938,314)**	(3,459,803)	**(975,067)**	(1,743,008)
Retakaful finance income for retakaful contracts held		**1,913,372**	3,149,766	**962,520**	1,586,420
Net takaful income/(expenses)		**19,655,717**	(2,426,795)	**(488,234)**	(4,457,933)
Investment income - net	18	**52,933**	45,079	**26,888**	23,195
Mudarib's share	20	**(13,233)**	(11,270)	**(6,722)**	(5,799)
Surplus/(deficit) of takaful and investment results		**19,695,417**	(2,392,986)	**(468,068)**	(4,440,537)
Other income		**1,726,712**	(479,201)	**-**	138,405
Surplus/(deficit) from takaful operations for the period		**21,422,129**	(2,872,187)	**(468,068)**	(4,302,132)
Attributable to shareholders					
Income					
Investment income / (loss) - net	18	**1,487,083**	(6,856,121)	**855,941**	423,812
Wakala fees from policyholders	20	**591,361**	1,881,193	**517,573**	810,030
Mudarib's share from policyholders	20	**13,233**	11,270	**6,722**	5,799
Other operating income		**6,063**	5,622,000	**2,782**	1,011,989
Total income		**2,097,740**	658,342	**1,383,018**	2,251,630
Expenses					
Policy acquisition cost		**(577,267)**	(1,262,497)	**(12,803)**	(609,692)
General and administrative expenses		**(12,542,747)**	(6,694,449)	**(5,601,827)**	(3,336,779)
Contribution from Qard Hassan to takaful operations	15	**1,590,369**	(3,190,851)	**(3,525,254)**	(3,718,212)
Total expenses		**(11,529,645)**	(11,147,797)	**(9,139,884)**	(7,664,683)
Loss for the period before tax		**(9,431,905)**	(10,489,455)	**(7,756,866)**	(5,413,053)
Income tax expense		**-**	-		
Loss for the period after tax		**(9,431,905)**	(10,489,455)	**(7,756,866)**	(5,413,053)

Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)

Dubai - United Arab Emirates

Condensed consolidated interim statement of profit or loss and other comprehensive income for the six months period ended June 30, 2025 (Unaudited)

In Arab Emirates Dirham

	Notes	Six months period ended June 30,		Three months period ended June 30,	
		2025	2024	**2025**	2024
		(Unaudited)	(Restated)	**(Unaudited)**	(Restated)
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Changes in fair value of equity investments carried at fair value through other comprehensive income		**(211,310)**	(8,668,575)	**890,972**	(275,193)
Total comprehensive loss for the period		**(9,643,215)**	(19,158,030)	**(6,865,894)**	(5,688,246)
Loss for the period after tax		**(9,431,905)**	(10,489,455)	**(7,756,866)**	(5,413,053)
Basic and diluted loss per share	19	**(0.0418)**	(0.0465)	**(0.0344)**	(0.0240)

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

The review report of the auditor is set out on pages 3 to 4.

Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)

Dubai - United Arab Emirates
Condensed consolidated interim statement of changes in equity for the six months period ended June 30, 2025 (Unaudited)
In Arab Emirates Dirham

	Share capital	Legal reserve	General reserve	Accumulated losses	Investment in revaluation reserve FVTOCI	Equity attributable to shareholders of the parent	Non-controlling interests	Total equity
Balance as at January 1, 2024	225,750,000	6,420,521	6,420,521	(143,212,289)	(18,853,358)	76,525,395	(1,325,973)	75,199,422
Adjustment on initial application of IFRS 17	-	-	-	(6,762,635)	-	(6,762,635)	-	(6,762,635)
Restated balance as at January 1, 2024	225,750,000	6,420,521	6,420,521	(149,974,924)	(18,853,358)	69,762,760	(1,325,973)	68,436,787
Net loss for the period attributable to the shareholders of the company	-	-	-	(10,489,455)	-	(10,489,455)	-	(10,489,455)
Other comprehensive loss for the period	-	-	-	-	(8,668,575)	(8,668,575)	-	(8,668,575)
Total comprehensive loss for the period	-	-	-	(10,489,455)	(8,668,575)	(19,158,030)	-	(19,158,030)
Balance as at June 30, 2024 (Restated)	225,750,000	6,420,521	6,420,521	(160,464,379)	(27,521,933)	50,604,730	(1,325,973)	49,278,757
Balance as at January 1, 2025	**225,750,000**	**6,420,521**	**6,420,521**	**(181,408,876)**	**(17,630,484)**	**39,551,682**	**(1,325,973)**	**38,225,709**
Net loss for the period attributable to the shareholders of the company	-	-	-	(9,431,905)	-	(9,431,905)	-	(9,431,905)
Other comprehensive loss for the period	-	-	-	-	(211,310)	(211,310)	-	(211,310)
Total comprehensive loss for the period	-	-	-	**(9,431,905)**	**(211,310)**	**(9,643,215)**	-	**(9,643,215)**
Zakat	-	-	-	410,539	-	410,539	-	**410,539**
Balance as at June 30, 2025 (Unaudited)	**225,750,000**	**6,420,521**	**6,420,521**	**(190,430,242)**	**(17,841,794)**	**30,319,006**	**(1,325,973)**	**28,993,033**

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

The report of the auditor is set out on pages 3 to 4.

Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C)

Dubai - United Arab Emirates

Condensed consolidated interim statement of cash flows for the six months period ended June 30, 2025 (Unaudited)

in Arab Emirates Dirham

	Six months period ended	
	June 30, 2025	June 30, 2024
	(Unaudited)	(Restated)
Cash flows from operating activities		
Net loss for the period before tax	**(9,431,905)**	(10,489,455)
Adjustment for:		
Depreciation on property and equipment	**18,471**	12,891
Realised loss on disposal of financial assets carried at fair value through profit or loss (FVTPL)	**-**	7,611,004
Unrealised gain on investments at fair value through profit or loss (FVTPL)	**(180,900)**	(147,612)
Income from wakala deposits with banks	**(771,772)**	(410,350)
Dividend income	**(304,344)**	-
Charge for employees' end of service benefits	**145,738**	131,333
Operating loss before changes in operating assets and liabilities	**(10,524,712)**	(3,292,189)
(Increase) / decrease in current assets		
Takaful contract assets	**(8,585,793)**	(148,133,333)
Retakaful contract assets	**20,860,901**	168,057,972
Due from shareholders	**2,762,548**	5,528,543
Prepayments and other receivables	**854,203**	25,381,571
Deferred policy acquisition costs	**-**	23,279
Increase / (decrease) in current liabilities		
Takaful contract liability	**(101,630,026)**	(119,074,109)
Retakaful contract liability	**(10,758,602)**	(1,468,298)
Unearned wakala	**(117,148)**	(1,184,491)
Amounts held under retakaful treaties	**(66,917)**	(1,893,487)
Trade and other payables	**26,494,213**	(7,627,051)
Due to policyholders	**(2,762,548)**	(5,528,543)
Net cash used in operating activities	**(83,473,881)**	(89,210,136)
Employees' end-of-services benefits paid	**(504,465)**	(1,893)
Net cash used in operating activities	**(83,978,346)**	(89,212,029)
Cash flows from investing activities		
Purchase of property and equipment	**(1,340)**	-
Proceeds from sale of property and equipment	**-**	8,957
Proceeds from sale of investments at fair value through profit or loss (FVTPL)	**-**	13,370,895
Proceeds from sale of investments at fair value other comprehensive income (FVTOCI)	**563,602**	-
Increase in unit-linked investments	**96,155,769**	110,007,252
Income from wakala deposits with banks	**771,772**	410,350
Dividend income	**304,344**	-
Net cash generated from investing activities	**97,794,147**	123,797,454
Cash flows from financing activities		
Net cash from financing activities was nil	**-**	-
Net increase in cash and cash equivalents	**13,815,801**	34,585,425
Cash and cash equivalents, beginning of the period	**134,051,549**	57,761,221
Cash and cash equivalents, end of the period	**147,867,350**	92,346,646

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

The report of the auditor is set out on pages 3 to 4.

1 Legal status and business activities

1.1 Dubai Islamic Insurance & Reinsurance Company (AMAN) - (P.J.S.C.) (the "Company") is registered as a public shareholding company in Dubai, United Arab Emirates. The Company carries out general takaful, retakaful and life takaful business in accordance with the teachings of Islamic Sharia'a. The Company is also licensed to engage in retakaful and life takaful business. The Company operates through its registered address at P.O. Box 157, Dubai, United Arab Emirates (UAE). The Company's ordinary shares are listed on the Dubai Financial Market, United Arab Emirates.

1.2 The Company obtained its commercial license on March 12, 2003 and commenced operations on April 8, 2003. The Company issues takaful contracts in connection with motor, marine, fire and engineering, general accident and medical risks and life takaful risks. The Company also invests in investment securities and properties.

1.3 The Company's business activities are subject to the supervision of its Internal Sharia Committee consisting of three members appointed by the shareholders. The Internal Sharia Committee performs a supervisory role in order to determine whether the operations of the Company are conducted in accordance with Sharia'a rules and principles.

1.4 The Company with its non-operational subsidiaries (collectively referred to as the "Group") are presented in these condensed consolidated interim financial statements. At December 31, 2024 to June 30, 2025, the Company had the following non-operational subsidiaries:

Group structure

Name of subsidiaries	**Country of incorporation**	**Principal activities**	**Legal and effective interests**	
			June 2025 (Unaudited)	December 2024 (Audited)
Nawat Investments L.L.C.	United Arab Emirates	Investment in commercial, industrial and agricultural enterprises and management	**100%**	100%
Technik Auto Service Centre Co. L.L.C	United Arab Emirates	Vehicles' repair services	**100%**	100%
Amity Health L.L.C.	United Arab Emirates	Medical billing services	**90%**	90%

1.5 The Group neither made social contributions during the period ended June 30, 2025 nor the year ended December 31, 2024.

2 Going concern

The Group incurred a loss of AED 9,431,905 for the six months period ended June 30, 2025 (June 30, 2024: AED 10,489,455) and had accumulated losses of AED 190,430,242 as at that date (December 31, 2024: AED 181,408,876), which represents 84.35% (December 31, 2024: 80.36%) of the Group's share capital.

Additionally, as disclosed in Note 25 to these condensed consolidated interim financial statements, as of June 30, 2025, the Group has Minimum Capital Requirement (MCR) Solvency Deficit, Solvency Capital Requirement (SCR) Solvency Deficit, and Minimum Guarantee Fund (MGF) Solvency Deficit in solvency capital requirements as stipulated by the Central Bank of the U.A.E. by the amounts of AED 83,730,229 (December 31, 2024: AED 106,256,484), AED 592,737 (December 31, 2024: AED 25,504,031) and AED 7,730,229 (December 31, 2024: AED 31,256,484) respectively. To address the solvency deficit, the Group's management initially submitted a recovery plan to the regulatory authorities which involved a substantial capital injection by means of a rights issue; however, the plan was subsequently changed, because it was envisaged that shareholders were unlikely to support a capital injection in the prevailing economic and financial circumstances. The new plan, which was subject to the regulatory approval, envisaged selling the portfolios of the takaful business to other takaful companies and, aided partly by the proceeds resulting from the sale of the takaful portfolios and partly by the sale of other assets, generating enough capital to transform the Group into a viable investment firm to safeguard and preserve shareholders' value. The Group had informed the Regulator of its revised plans and received both in-principle and no-objection approvals to proceed with the above sale negotiations.

2 Going concern (continued)

During the General Assembly meeting held on February 6, 2023, the shareholders issued a special resolution approving the board of directors' decision to exit and sell the entire takaful portfolio and authorising the Group's board of directors to complete all procedures with authorities and policyholders to exit takaful business and transform the Group into an investment group. As a result, the Group signed two portfolio transfer agreements (PTA) with Islamic Arab Insurance Co. (SALAMA) P.J.S.C. to transfer the general, medical, and family takaful portfolio and with Abu Dhabi National Takaful Company P.S.C. to transfer the individual life portfolio. The proceeds resulting from the execution of these agreements were expected to improve the Group's liquidity and generate enough capital to transform the Company into a viable investment firm to safeguard and preserve shareholders' value.

On August 1, 2024, management received a notice terminating the insurance portfolio transfer agreement between the Group and Abu Dhabi National Takaful Company P.S.C. as a result, the Group's management sent a formal objection letter to Abu Dhabi National Takaful Company P.S.C. stating that the Group's management expects the portfolio transfer by August 31, 2024 and on September 5, 2024 the Group announced to the Dubai Financial Market that the PTA had not been validly terminated according to its terms and conditions, and to protect the rights of all stakeholders, the Group appropriate action to address this development.

On September 26, 2024, the Islamic Arab Insurance Co. (SALAMA) P.J.S.C. declared in DFM the termination of Partial Acquisition Agreement with the Group. Accordingly, on September 27, 2024, the Group declared to DFM that Salama decided to terminate the Acquisition agreement. The Group is currently evaluating alternative strategies to address this development.

Further, the Group's Third-Party Administrator (TPA) and system provider for the individual life portfolio is now under liquidation in Germany and DIFC. The TPA previously made certain investments on behalf of the Group which were recorded at fair value through profit or loss. These investments were made in sukuk unit-linked investments, a portion of which were issued by entities related to the TPA Group without receiving prior approval of the Group's management and these entities are currently in liquidation. As a result, the valuation of these investments could be adversely affected by the liquidation process and this could potentially result in the Group's liabilities being over and above the value of the underlying assets. The Group is taking appropriate action to address this development and protect the rights of all stakeholders.

In addition, the accumulated losses as at June 30, 2025 exceeded 50% of the share capital of the Group, and as per U.A.E. Federal Law No. (32) of 2021 Article 309, the Board of Directors should invite the General Assembly to convene within (30) thirty days from the date of the invitation to consider making a decision as regards the Group's continuation of its activity or dissolution prior to the expiry of its term. The Group's AGM held on May 5, 2023 issued a special resolution to continue the Group's operations.

3 Material accounting policy information

3.1 Basis of preparation

These condensed consolidated interim financial statements of the Group is prepared on an accrual basis and under the historical cost basis except for financial assets carried at fair value through profit or loss, financial assets carried at fair value through other comprehensive income and investment property, which are carried at fair value.

The condensed consolidated interim financial statements has been presented in United Arab Emirates Dirhams ("AED"), which is the functional currency and the presentation currency of the Group.

This condensed consolidated interim financial statements are prepared in accordance with International Accounting Standard 34: "Interim Financial Reporting" issued by the International Accounting Standard Board (IASB) and comply with the applicable requirements of the U.A.E. federal law No. (32) of 2021 and United Arab Emirates (U.A.E.) Federal Law No. (48) of 2023 (previously Federal Law No. 6 of 2007, as amended) concerning Insurance Law issued by the Central Bank of the U.A.E. ("CBUAE") and regulation of its operations.

3 Material accounting policy information (continued)

3.1 Basis of preparation (continued)

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 and deferred policy acquisition costs, accruals and other payables, due to policyholders. The following balances would generally be classified as non-current: property and equipment, investment properties, statutory deposit and provision for employees' end of service. The following balances are of mixed nature (including both current and non-current portions) investments at fair value through other comprehensive income, investments carried at fair value through profit or loss, assets and liabilities directly associated with assets classified as held for sale and takaful and retakaful contract liabilities and assets.

3.2 Basis of consolidation

The condensed interim consolidated financial statements comprise the financial information of the Company and its subsidiaries as at June 30, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of subsidiaries begins when the Group obtains control over the subsidiaries and ceases when the Group loses control of the subsidiaries. Assets, liabilities, income and expenses of a subsidiaries acquired or disposed of during the year are included in the condensed consolidated interim statement of financial position and condensed consolidated interim statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiaries.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial information of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of subsidiaries, without a loss of control, is accounted for as an equity transaction. If the Group loses control over subsidiaries, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiaries
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the cumulative translation differences, recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate as would be required if the Group had directly disposed of the related assets or liabilities.

The condensed consolidated interim financial statements of the Group represents the financial information of the Company, and its subsidiaries mentioned in Note 1.

3 Material accounting policy information (continued)

3.3 Standards, interpretations, and amendments to existing standards

The accounting policies, critical accounting judgments and key source of estimation used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2024, except for application of new standards and several amendments and interpretations apply for the first time that became effective on 1 January 2025, where appropriate. However, these amendments and interpretations do not have material impact on the condensed consolidated interim financial statements of the Group, except for the adoption of IFRS 17 “Insurance Contracts,” effective from 1 January 2023, was initially postponed due to the Group’s plan to exit the takaful activities. However, following a change in plans and communication with the regulator, the Group has applied IFRS 17 from Q3 2024. The requirements of IFRS 17 have bought a significant change to the accounting for takaful and retakaful contracts. As a result, the Group has restated certain comparative amounts in opening balances.

IFRS 17 Insurance contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of Takaful contracts, retakaful contracts and investment contracts with discretionary participation features. It introduces a model that measures groups of contracts based on the Group’s estimates of the present value of future cash flows that are expected to arise as the Group fulfils the contracts, an explicit risk adjustment for non-financial risk and a contractual service margin.

Under IFRS 17, Takaful revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering Takaful acquisition cash flows. In addition, investment components are no longer included in Takaful revenue and Takaful service expenses.

The Group uses the premium allocation approach (PAA) with short coverage periods, eliminating the need to calculate the Contractual Service Margin (CSM). for contracts exceeding one year, the PAA can only be applied after passing an eligibility test to ensure that the results are materially consistent with those of the General Measurement Model (GMM). Long-term contracts – greater than five-years terms - with Discretionary Participation Features (DPF) are typically assessed under the Variable Fee Approach (VFA), while other long-term contracts are measured using the GMM.

IFRS 17 replaces IFRS 4 Insurance Contracts for annual periods on or after 1 January 2023. The Group has restated comparative information applying the transitional provisions to IFRS 17.

Recognition

Recognition requirements are slightly different for issued contracts and held contracts. For groups of issued contracts, a group should be recognized at the earliest of the following:

- Beginning of the coverage period;
- Date when the first payment from a policyholder becomes due; and
- For a group of onerous contracts, when the group becomes onerous.

Retakaful contracts held by a Group are recognized on the earlier of:
- Beginning of the coverage period of the group of retakaful contracts held; and
- Date the Group recognizes an onerous group of underlying takaful contracts provided the retakaful contract was in force on or before that date.

Regardless of the first point above, the recognition of proportional retakaful contracts held shall be delayed until the recognition of the first underlying contract issued under that retakaful contract.

3 Material accounting policy information (continued)

3.3 Standards, interpretations, and amendments to existing standards (continued)

Level of aggregation

The level of aggregation relates to the unit of account under IFRS 17. The unit of account under IFRS 17 is referred to as a 'Group of Contracts' and requirements relating to level of aggregation define how groups of contracts have to be determined.

The standard has set out the following requirements to determine a group of contracts:

-Portfolio – contracts that have similar risks and that are managed together can be grouped; and

-Profitability – contracts with similar expected profitability (at inception or initial recognition) can be grouped.

For this purpose, the standard has mandated at least the following three classifications however it is permitted to use more granular classifications:
-Contracts that are onerous at inception;
-Contracts that are not onerous and have no significant possibility of becoming onerous; and
-All other contracts.

Cohorts

Contracts issued more than 12 months apart cannot be grouped together. However, in certain circumstances a one-time simplification upon transition for contracts as at the transition is allowed.

A unique combination of the above three requirements forms a group of contracts i.e., contracts with the same portfolio, same expected profitability and issued in the same year can be grouped together. This grouping is permanent and cannot be changed once assigned, regardless of how the actual experience emerges after initial recognition. For instance, as experience emerges a Group may realize that a contract which was thought to be onerous at initial recognition is not onerous, but the grouping will not be changed.

Measurement models

Measurement model, in rudimentary terms, refers to the basis or a set of methodologies for the computation of Takaful contract assets and liabilities and associated revenues and expenses. IFRS 17 has provided the following three measurement models:

Premium allocation approach (PAA)

PAA is an optional simplification that a Group can apply to contracts that have a coverage period of up to 12 months or to contracts for which it can demonstrate that the liability for remaining coverage will not be materially different under PAA and GMM. In terms of computations, the major simplification relates to LRC.

Under PAA, it is not required to consider each component of the premium separately instead a single liability can be set up. The components of liability under PAA as at any valuation date can be summarized as follows:

Liability for Remaining Coverage (LRC)
-Excluding Loss Component
-Loss Component, if any

Liability for Incurred Claims (LIC)
-Estimates of future cashflows
-Risk adjustment
-Discounting of estimates of future cashflows

3 Material accounting policy information (continued)

3.3 Standards, interpretations, and amendments to existing standards (continued)

Premium allocation approach (PAA) (continued)

Some of the Group's short-term business is eligible for this simplification and the Group has adopted this simplification for the eligible business. Under PAA, loss of component and claim reserves requires an explicit provision of risk adjustment this would increase the liabilities whereas discounting will generally decrease the liabilities. The net effect of PAA depends on whether the impact of risk adjustment is greater than the impact of discounting or the impact deferring additional expenses that are currently not deferred.

General measurement model (GMM)

GMM is the default measurement model and is applied to all contracts to which Premium Allocation Approach (PAA) and Variable Fees Approach (VFA) are not applied. GMM is based on the premise that premiums (or considerations) for Takaful contracts comprises of certain components (such claims, expenses and profits) and that each component needs to be considered according to its nature. The liability under GMM as at any valuation date comprises of the following:

Liability for Remaining Coverage (LRC)
- Estimates of future cashflows
- Risk adjustment
- Discounting of estimates of future cashflows
- Contractual Service Margin (CSM)

Liability for Incurred Claims (LIC)
- Estimates of future cashflows
- Risk adjustment
- Discounting of estimates of future cashflows

Variable fees approach (VFA)

VFA is a mandatory modification to contracts with direct participation features. A contract is a contract with direct participation feature if it meets all three of the following requirements:
- Contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items.
- The Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items.
- The Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in the fair value of the underlying items.

The components of the liability under VFA are same as GMM and their calculations are quite similar too except for the computation of CSM. Under VFA, CSM calculations reflect the variability related to underlying items, but GMM does not reflect this variability. Similarly, there are some other aspects related to financial risk that impact the CSM under VFA but, not under GMM.

The measurement models that have been discussed above are in context of Takaful contracts issued and associated liabilities, but same principles are applicable to retakaful contract held and associated assets (except for VFA). Similarly, both LRC and LIC components are mentioned however, at initial recognition only LRC is applicable.

Estimates of future cashflows, risk adjustment and discounting are collectively referred to as the Fulfilment Cashflows (FCF). In terms of revenues and expense GMM and VFA are quite similar however, a significant difference exists between GMM/VFA and PAA. The revenues under GMM and VFA show each component of the premium separately (such as expected claims and expenses) whereas under PAA, the revenue shows just an aggregate amount.

3 Material accounting policy information (continued)

3.3 Standards, interpretations, and amendments to existing standards (continued)

• The Group's unit-linked business is measured using VFA, all other long-term business is measured using GMM. There are fundamental differences between GMM / VFA and the current methodologies for the long-term business. The key differences are discussed below:

• Under IFRS 17 assets or liabilities will be determined using gross premium calculations as opposed to risk premium calculations. This implies that under IFRS 17 all components of assets or liabilities such as expenses or profits will be computed explicitly. This also implies that expenses or costs that occur only at the start will be deferred implicitly. The impact of this difference cannot be generalized as it depends on whether the implicit margins within risk-premium based calculations are higher or lower than those required in gross-premium based calculations.

• Similar to PAA, GMM and VFA also require an explicit risk adjustment. Risk adjustment is a new requirement, and it does not exist under the previous standard. Risk adjustment will increase the liabilities for Takaful contracts issued and increases the asset for the retakaful contracts held.

• IFRS 17 also introduces substantial changes to the pattern in which profits are recognized for long- term contracts it requires that the profits to be recognized in relation to the service provided. IFRS 17 introduces a new measure, 'coverage units', to quantify the services provided in any period. Given that single premium contracts recognize all expected profits at the start of the coverage whereas services are provided throughout that coverage period, it is expected that under IFRS 17 profit recognition for single premium contracts will be delayed and therefore the net liabilities will increase because of this requirement. Similarly, for limited-payment plans, all expected profits are recognized by the end of the payment term and therefore the profits for these will also be relatively delayed in IFRS 17. The impact of regular payment plans will depend on how close the service pattern is to the one currently implied under the plans.

• The definition of revenue under GMM and VFA is quite different for long-term contracts. Under IFRS 17 revenue (or consideration) is more direct and separately includes each component of the premium (i.e., expected claims and expenses and the portion of the profits relating to the period).

Estimates of future cashflows

The standard requires that future cashflows should be estimated till the end of the contract boundary. End of contract boundary is defined as the point at which a Group can either reassess the risk or consideration i.e., premium. The standard does not provide the methodology for the estimation of future cashflows. However, it does provide detailed guidance on the cashflows that are within and beyond the contract boundary. It also provides certain principles in relation to the estimates of future cashflows.

Discounting

The standard requires the estimates of future cashflows should be discounted to reflect the effect of time value of money and financial risks. Similar to other provisions it does not specify a methodology for discounting or the derivation of discount rates however, it sets out certain principles. The standard does recognize the following two approaches for the derivation of the discount rates:

- Bottom-Up: An approach where a risk-free rate or yield curve is used, and an illiquidity premium is added to reflect the characteristics of the cashflows.
- Top-Down: An approach where the expected yield on a reference portfolio is used and adjustments are applied to reflect the differences between the liability cashflow characteristics and the characteristics of the reference portfolio.

For cashflows that are linked to the underlying items for contracts with direct participation features, the discount rates must be consistent with other estimates used to measure Takaful contracts. The above two approaches may have to be adjusted to reflect the variability in the underlying items for such cashflows.

3 Material accounting policy information (continued)

3.3 Standards, interpretations, and amendments to existing standards (continued)

Contractual service margin (CSM)

Contractual Service Margin (CSM) represents the unearned profit the Group will recognize as it provides Takaful contract services in the future. At initial recognition CSM is computed using the fulfillment cash flows (FCF) whereas at subsequent measurement CSM is computed using the opening CSM balance and various adjustments relating to the period. A portion of CSM is released to Profit & Loss as revenue in every period using coverage units.

Onerous contracts and loss components

When a group of contracts, whether at initial recognition or subsequently, is or becomes onerous a loss component liability must be maintained. Under GMM and VFA this liability is implicitly included in the FCFs for LRC but for PAA an explicit loss component over the base LRC must be computed and set aside.

Transition

The default transition approach under IFRS 17 is the Full Retrospective Approach (FRA) which requires that upon transition IFRS 17 should be applied from inception of the groups of contracts as if IFRS 17 has always been applicable. However, if FRA is impracticable the following methods may be adopted:
- Modified Retrospective Approach (MRA): Under this approach the objective is to achieve the closest possible approximation to the FRA using the modifications allowed within the standard and without undue cost and effort.
- Fair Value Approach (FVA): Under this approach the fair value of the groups of contracts is computed and compared with the FCF. The CSM or loss component is the difference between the fair value and the FCF. Fair values for this purpose must be computed applying IFRS 13.

The Group has applied the transition provisions in IFRS 17 and has not disclosed the impact of the adoption of IFRS 17 on each condensed consolidated interim financial statements line item and EPS. The effects of adopting IFRS 17 on the condensed consolidated interim financial statements at January 1, 2023 are presented in the statement of changes in equity.

As mentioned above, the line-item descriptions in the condensed consolidated interim statement of profit or loss and other comprehensive income have changed significantly compared with the prior period. The adoption of IFRS 17 has resulted in the restatement of the loss attributable to shareholders for the six months period ended June 30, 2024, from AED 8,273,207 to AED 10,489,455, and the profit attributable to policyholders from AED 4,128,589 to AED 318,664.

Key accounting policy choices

IFRS 17 requires Group to make various accounting policy choices. The key accounting policy choices made by the Group are described below.

Accounting policy	Group decision
Level of Aggregation – Adopting more granular profitability classification	The Group has adopted the minimum three classifications provided in the standard and not use more granular classifications.
Level of Aggregation – Adopting more granular cohort classification	The Group is using annual cohorts and not shorter cohorts.
PAA – Deferring Takaful acquisition c	Under PAA, in some circumstances, it is allowed to recognize Takaful acquisition cashflows as expense when incurred however, the Group does not apply this choice instead it defers all Takaful acquisition cashflows.

3 Material accounting policy information (continued)

3.3 Standards, interpretations, and amendments to existing standards (continued)

Key accounting policy choices (continued)

Accounting policy	Group decision
PAA – Discounting LIC	Under PAA, in some circumstances, it is allowed not to discount the LIC, but the Group is not using this option and discounts all LIC.
Interest Accretion – OCI Option	The standard allows that finance expense to be split between OCI, and P&L. the Group aims to reflect entire finance expense in the P&L and plans not to split between OCI and P&L.
Transition Approach	The Group is using Modified Retrospective Approach.

Revenue recognition

Takaful revenue and retakaful expenses – methods and assumptions used in the determination of the contractual service margin (CSM) to be recognized in condensed consolidated interim statement of profit or loss for the Takaful contract services provided or received in the year.

For contracts measured under the General Measurement Model (GMM) in which the Group has discretion over the cash flows to be paid to the policyholders, judgement might be involved in the determination of what the Group considers its commitment on initial recognition of such contracts. Further, judgement might be required to distinguish subsequent changes in the fulfilment cash flows (FCF) resulting from changes in the Group's commitment and those resulting from changes in assumptions that relate to the financial risk on that commitment.

Finance income or expenses from takaful contracts issued

Takaful finance income or expenses Takaful finance income or expenses comprise the change in the carrying amount of the group of Takaful contracts arising from:
• Interest accreted on the CSM;
• Interest accreted on the PAA LRC excluding the LC (if adjusted for the financing effect);
• The financing effect on the LC measured under the PAA (if adjusted for the financing effect);
• The effect of changes in FCFs at current rates, when the corresponding CSM unlocking is measured at the locked in rates;
• Any interest charged to or added to Takaful / retakaful asset or liability balances; and
• The effect of changes in interest rates and other financial assumptions.

For all groups of contracts, the Group disaggregates Takaful finance income or expenses for the period between profit or loss and other comprehensive income (that is, the OCI option is applied). The finance income and expenses from Takaful contracts issued recognized in the condensed consolidated interim statement of profit or loss reflects the unwind of the liabilities at the locked-in rates.

3.4 Taxation

On 9 December 2022, the U.A.E. 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 U.A.E. The CT regime will become effective for accounting periods beginning on or after 1 June 2023. For the Group, accounting for current and deferred taxes have become applicable from the period beginning 1 January 2024. Accordingly, management has applied following accounting policies to incorporate the applicable Corporate Tax in accordance with IAS 12 “Income Taxes”.

3 Material accounting policy information (continued)

3.4 Taxation (continued)
Current taxation

The provision of current tax is based on the taxable income for the period determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the period.

Income tax expense are recognized in interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

Deferred taxation

Deferred tax is accounted for in respect of all temporary differences at the condensed consolidated interim statement of financial position date between the tax bases and carrying amounts of assets and liabilities for financial reporting purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the condensed consolidated interim statement of financial position date. Deferred tax is charged or credited to the condensed consolidated interim statement of profit or loss, except in the case of items credited or charged to the condensed consolidated interim statement of other comprehensive income or equity in which case it is included in the condensed consolidated interim statement of other comprehensive income or equity.

As at June 30, 2025 the Group does not have material impact of deferred or current income tax.

4 Significant accounting judgements and estimates

The preparation of these condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that effect the application of the material accounting policy information and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the material accounting policy information and the key sources of estimation uncertainty were the same as those that were applied in the audited consolidated financial statements as at and for the year ended 31 December 2024. Except for the below judgements:

Estimates of future cash flows to fulfill takaful contracts

Included in the measurement of each group of contracts within the scope of IFRS 17, are all future cash flows within the boundary of each group of contracts. The estimates of these future cash flows are based on probability-weighted expected future cash flows which includes the expected contribution receipts and ultimate cost of claims.

The ultimate cost of claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.

4 Significant accounting judgements and estimates (continued)

Estimates of future cash flows to fulfill takaful contracts (continued)

The main assumption underlying these techniques is the Group's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development.

In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims. The Group also has the right to pursue third parties for payment of some or all costs. Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs.

Assessment of significance of takaful risk

The Group applies its judgement in assessing whether a contract transfers to the issuer significant takaful risk. A contract transfers significant takaful risk only if an insured event could cause the Group to pay additional amounts that are significant in any single scenario and only if there is a scenario that has commercial substance in which the issuer has a possibility of a loss on a present value basis upon an occurrence of the insured event, regardless of whether the insured event is extremely unlikely.

Risk adjustment

The risk adjustment for non-financial risk is the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Group has estimated the risk adjustment using a confidence level (probability of sufficiency) approach at the 75th percentile. That is, the Group has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to the 75th percentile confidence level less the mean of an estimated probability distribution of the future cash flows. The Group has estimated the probability distribution of the future cash flows, and the additional amount above the expected present value of future cash flows required to meet the target percentiles.

Onerous groups

The Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

4 Significant accounting judgements and estimates (continued)

Discounting

The Group use bottom-up approach to derive the discount rate. Under this approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity contribution'). The Group applies a published risk-free yield curve (EIOPA RFR) with volatility adjustment and adjusted for country risk premium. Management uses judgment to assess liquidity characteristics of the liability cash flows.

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

	1 year		**3 years**		**5 years**		**10 years**	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
Personal accident, marine and property contracts issued	**6.25%**	6.25%	**6.25%**	6.25%	**6.25%**	6.25%	**6.25%**	6.25%
Liability retakaful contracts issued	**6.25%**	6.25%	**6.25%**	6.25%	**6.25%**	6.25%	**6.25%**	6.25%

5 Property and equipment

	Motor vehicles	Office equipment	Furniture and fixtures	Total
Cost				
As at December 31, 2023	128,890	2,690,512	746,447	3,565,849
Additions during the year	-	33,520	-	33,520
As at December 31, 2024 (Audited)	128,890	2,724,032	746,447	3,599,369
Additions during the period		1,340		1,340
As at June 30, 2025 (Unaudited)	**128,890**	**2,725,372**	**746,447**	**3,600,709**
Accumulated depreciation				
As at December 31, 2023	128,890	2,625,530	746,447	3,500,867
Charge for the year	-	38,975	-	38,975
As at December 31, 2024 (Audited)	128,890	2,664,505	746,447	3,539,842
Charge for the period	-	18,471	-	18,471
As at June 30, 2025 (Unaudited)	**128,890**	**2,682,976**	**746,447**	**3,558,313**
Carrying value as at June 30, 2025 (Unaudited)	**-**	**42,396**	**-**	**42,396**
Carrying value as at December 31, 2024 (Audited)	-	59,527	-	59,527

6 Takaful and retakaful contracts

	June 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	Assets	**Liabilities**	**Net**	Assets	Liabilities	Net
	AED	**AED**	**AED**	AED	AED	AED
Takaful contracts issued						
Life	-	478,118,094	478,118,094	719,390	572,536,660	571,817,270
Non-Life	14,268,256	97,421,609	83,153,353	4,963,073	104,633,069	99,669,996
Total takaful contracts issued	**14,268,256**	**575,539,703**	**561,271,447**	5,682,463	677,169,729	671,487,266
Retakaful contracts held						
Life	92,437,393	49,779,794	(42,657,599)	92,230,346	53,495,549	(38,734,797)
Non-Life	56,381,711	3,386,681	(52,995,030)	57,617,898	10,429,528	(47,188,370)
Total retakaful contracts held	**148,819,104**	**53,166,475**	**(95,652,629)**	149,848,244	63,925,077	(85,923,167)

June 30, 2025 (Unaudited)	**PAA**	**Non-PAA**	**Total**
	AED	**AED**	**AED**
Takaful contract assets	**(14,268,255)**	**-**	**(14,268,255)**
Takaful contract liabilities	**101,690,645**	**473,849,058**	**575,539,703**
Retakaful contract assets	**(57,852,255)**	**(90,966,849)**	**(148,819,104)**
Retakaful contract liabilities	**5,277,491**	**47,888,984**	**53,166,475**
	34,847,626	**430,771,193**	**465,618,819**

December 31, 2024 (Audited)	PAA	Non-PAA	Total
	AED	AED	AED
Takaful contract assets	(5,613,665)	(68,798)	(5,682,463)
Takaful contract liabilities	109,842,207	567,327,522	677,169,729
Retakaful contract assets	(59,769,161)	(90,079,083)	(149,848,244)
Retakaful contract liabilities	12,964,108	50,960,969	63,925,077
	57,423,489	528,140,610	585,564,099

6 Takaful and retakaful contracts (continued)
Contracts measured under the PAA

	Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component	Loss component	Best estimate liability	Risk adjustment	Total
	AED	AED	AED	AED	AED
Takaful contracts issued					
Takaful contract assets at 1 January, 2025	(704,261)	-	(4,555,541)	(353,863)	(5,613,665)
Takaful contract liabilities at 1 January, 2025	26,566,117	3,286	77,876,805	5,395,999	109,842,207
Net balance as at 1 January, 2025 (Audited)	**25,861,856**	**3,286**	**73,321,264**	**5,042,136**	**104,228,542**
Takaful revenue	**26,969,125**	**-**	**-**	**-**	**26,969,125**
Takaful service (expenses)/income	**666,167**	**(2,369)**	**(8,758,128)**	**(1,666,678)**	**(9,761,008)**
Incurred claims and other expenses	-	-	6,576,775	-	6,576,775
Changes to liabilities for incurred claims	-	-	(15,334,903)	(1,666,678)	(17,001,581)
Amortisation of insurance acquisition cash flows	666,167	-	-	-	666,167
Reversals of losses on onerous contracts	-	(2,369)	-	-	(2,369)
Takaful service result	**26,302,958**	**2,369**	**8,758,128**	**1,666,678**	**36,730,133**
Finance expenses from takaful contracts issued	-	-	1,810,674	124,516	1,935,190
Total amounts recognized in comprehensive income	**-**	**-**	**-**	**-**	**-**
Cash flows					
Contributions received	30,317,765	-	-	-	30,317,765
Claims and other expenses paid	-	-	(3,757,927)	-	(3,757,927)
Takaful acquisition cash flows paid	(8,571,047)	-	-	-	(8,571,047)
Total cash flows	**21,746,718**	**-**	**(3,757,927)**	**-**	**17,988,791**
Net balance as at 30 June, 2025					
Takaful contract assets at 30 June, 2025	(675,998)	462	(13,217,188)	(375,531)	(14,268,255)
Takaful contract liabilities at 30 June, 2025	21,981,614	455	75,833,071	3,875,505	101,690,645
Net balance as at 30 June, 2025 (Unaudited)	**21,305,616**	**917**	**62,615,883**	**3,499,974**	**87,422,390**

6 Takaful and retakaful contracts (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of the present value of cashflows	Risk adjustment	Total
	AED	AED	AED	AED	AED
Retakaful contracts held					
Retakaful contract assets at 1 January, 2025	(8,970,778)	(1,834)	(47,414,960)	(3,381,589)	(59,769,161)
Retakaful contract liabilities at 1 January, 2025	12,562,104	-	378,965	23,039	12,964,108
Net balance as at 1 January, 2025 (Audited)	**3,591,326**	**(1,834)**	**(47,035,995)**	**(3,358,550)**	**(46,805,053)**
Net expenses income from retakaful contracts held	**(26,062,623)**	**-**	**-**	**-**	**(26,062,623)**
Amounts recoverable from reinsurers for incurred claims	**(2,289,391)**	**1,515**	**(6,570,039)**	**467,470**	**(8,390,445)**
Amounts recoverable from reinsurers for incurred claims	-	-	(5,746,840)	-	(5,746,840)
Changes to amounts recoverable for incurred claims	-	-	(823,199)	467,470	(355,729)
Amortisation of insurance acquisition cash flows	(2,329,822)	-	-	-	(2,329,822)
Changes in non-performance risk of reinsurer	40,431	-	-	-	40,431
Charging for losses on onerous contracts	-	1,515	-	-	1,515
Net expenses from retakaful contracts held	**(23,773,232)**	**(1,515)**	**6,570,039**	**(467,470)**	**(17,672,178)**
Finance income from retakaful contracts held	-	-	(1,161,557)	(82,940)	(1,244,497)
Total amounts recognized in comprehensive income	**-**	**-**	**-**	**-**	**-**
Cash flows					
Contributions paid	(43,199,727)	-	-	-	(43,199,727)
Actual acquisition costs received	15,255,497	-	-	-	15,255,497
Actual claims received	-	-	5,746,840	-	5,746,840
Total cash flows	**(27,944,230)**	**-**	**5,746,840**	**-**	**(22,197,390)**
Net balance as at 30 June, 2025					
Retakaful contract assets at 30 June, 2025	(5,850,814)	(319)	(49,026,766)	(2,974,356)	(57,852,255)
Retakaful contract liabilities at 30 June, 2025	5,271,141	-	6,012	338	5,277,491
Net balance as at 30 June, 2025 (Unaudited)	**(579,673)**	**(319)**	**(49,020,754)**	**(2,974,018)**	**(52,574,764)**

6 Takaful and retakaful contracts (continued)

Analysis by measurement component – Contracts not measured under the PAA:

	Liabilities for remaining coverage			Liabilities for incurred claims		
	Best estimate liability	Risk adjustment	Contractual service margin	Best estimate liability	Risk adjustment	Total
	AED	AED	AED	AED	AED	AED
Takaful contracts issued						
Takaful contract assets at 1 January, 2025	(68,798)	-	-	-	-	(68,798)
Takaful contract liabilities at 1 January, 2025	525,687,752	1,748,428	39,891,342	-	-	567,327,522
Net balance as at 1 January, 2025 (Audited)	**525,618,954**	**1,748,428**	**39,891,342**	**-**	**-**	**567,258,724**
Changes related to current service	**863,790**	**(43,177)**	**-**	**-**	**-**	**820,613**
Risk adjustment recognised for the risk expired	-	(43,177)	-	-	-	(43,177)
Experience adjustment	863,790	-	-	-	-	863,790
Changes related to future service	**(92,798,448)**	**(40,479)**	**94,686,486**	**-**	**-**	**1,847,559**
Changes in estimates reflected in the CSM	(92,798,448)	(40,479)	92,838,927	-	-	-
Changes in estimates reflected in onerous contract losses	-	-	1,847,559	-	-	1,847,559
Takaful service result	**91,934,658**	**83,656**	**(94,686,486)**	**-**	**-**	**(2,668,172)**
Finance expenses from takaful contracts issued	-	43,178	(96,195,823)	-	-	(96,152,645)
Total amounts recognized in comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**
Cash flows						
Contributions received	-	-	-	-	-	-
Takaful acquisition cash flows paid	74,806	-	-	-	-	74,806
Total cash flows	**74,806**	**-**	**-**	**-**	**-**	**74,806**
Takaful contract assets at 30 June, 2025	-	-	-	-	-	-
Takaful contract liabilities at 30 June, 2025	433,759,103	1,707,950	38,382,005	-	-	473,849,058
Net balance as at 30 June, 2025 (Unaudited)	**433,759,103**	**1,707,950**	**38,382,005**	**-**	**-**	**473,849,058**

6 Takaful and retakaful contracts (continued)

Contracts measured not under the PAA

	Assets for remaining coverage		Amounts recoverable on incurred claims			
	Best estimate liability	Risk adjustment	Contractual service margin	Best estimate liability	Risk adjustment	Total
	AED	AED	AED	AED	AED	AED
Retakaful contracts issued						
Retakaful contract assets at 1 January, 2025	(25,738,154)	(1,199,084)	(63,141,845)	-	-	(90,079,083)
Retakaful contract liabilities at 1 January, 2025	13,705,409	-	37,255,560	-	-	50,960,969
Net balance as at 1 January, 2025 (Audtied)	**(12,032,745)**	**(1,199,084)**	**(25,886,285)**	-	-	**(39,118,114)**
Changes related to current service	**(703,948)**	**933,076**	**(3,520,004)**	-	-	**(3,290,876)**
CSM recognized for the service provided	-	-	(3,520,004)	-	-	(3,520,004)
Risk adjustment recognized for the risk expired	-	933,076	-	-	-	933,076
Experience adjustment	(703,948)	-	-	-	-	(703,948)
Changes related to future service	**(2,192,314)**	**(878,077)**	**3,070,391**	-	-	-
Changes in estimates reflected in the CSM	(2,192,314)	(878,077)	3,070,391	-	-	-
Takaful service result	**2,896,262**	**(54,999)**	**449,613**	-	-	**3,290,876**
Finance expenses from takaful contracts issued	-	(29,611)	(639,264)	-	-	(668,875)
Total amounts recognized in comprehensive income	-	-	-	-	-	-
Cash flows						
Contributions received	-	-	-	-	-	-
Total cash flows	-	-	-	-	-	-
Net balance as at 30 June, 2025						
Retakaful contract assets at 30 June, 2025	(26,768,722)	(1,173,696)	(63,024,431)	-	-	(90,966,849)
Retakaful contract liabilities at 30 June, 2025	11,839,715	-	36,049,269	-	-	47,888,984
Net balance as at 30 June, 2025 (Unaudited)	**(14,929,007)**	**(1,173,696)**	**(26,975,162)**	-	-	**(43,077,865)**

6 Takaful and retakaful contracts (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component	Loss component	Best estimate liability	Risk adjustment	
	AED	AED	AED	AED	AED
Takaful contracts issued					
Takaful contract assets at 1 January, 2024	(1,456,629)	1,426	(3,005,615)	(139,969)	(4,600,787)
Takaful contract liabilities at 1 January, 2024	16,939,430	881,809	105,000,703	10,455,201	133,277,143
Net balance as at 1 January, 2024 (Audited)	15,482,801	883,235	101,995,088	10,315,232	128,676,356
Takaful revenue	53,243,889	-	-	-	53,243,889
Takaful service (expenses)/income	2,733,010	(879,949)	(16,220,568)	(5,917,797)	(20,285,304)
Incurred claims and other expenses	-	-	18,827,949	-	18,827,949
Changes to liabilities for incurred claims	-	-	(35,048,517)	(5,917,797)	(40,966,314)
Amortisation of insurance acquisition cash flows	2,733,010		-	-	2,733,010
Reversals of losses on onerous contracts	-	(879,949)	-	-	(879,949)
Takaful service result	50,510,879	879,949	16,220,568	5,917,797	73,529,193
Finance expenses from takaful contracts issued	-	-	6,374,693	644,701	7,019,394
Total amounts recognized in comprehensive income	-	-	-	-	-
Cash flows					
Contributions received	52,910,879	-	-	-	52,910,879
Claims and other expenses paid	-	-	(18,827,949)	-	(18,827,949)
Takaful acquisition cash flows paid	7,979,055	-	-	-	7,979,055
Total cash flows	60,889,934	-	(18,827,949)	-	42,061,985
Net balance as at 31 December, 2024					
Takaful contract assets at 31 December, 2024	(704,261)	-	(4,555,541)	(353,863)	(5,613,665)
Takaful contract liabilities at 31 December, 2024	26,566,117	3,286	77,876,805	5,395,999	109,842,207
Net balance as at 31 December, 2024 (Audited)	25,861,856	3,286	73,321,264	5,042,136	104,228,542

6 Takaful and retakaful contracts (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of the present value of cashflows	Risk adjustment	Total
	AED	AED	AED	AED	AED
Retakaful contracts held					
Retakaful contract assets at 1 January, 2024	(8,767,167)	(248)	(76,337,838)	(8,541,891)	(93,647,144)
Retakaful contract liabilities at 1 January, 2024	15,493,678	(38,807)	-	-	15,454,871
Net balance as at 1 January, 2024 (Audited)	6,726,511	(39,055)	(76,337,838)	(8,541,891)	(78,192,273)
Net expenses income from retakaful contracts held	(50,591,690)	-	-	-	(50,591,690)
Amounts recoverable from reinsurers for incurred claims	(1,538,055)	37,221	18,523,226	5,717,209	22,739,601
Amounts recoverable from reinsurers for incurred claims	-	-	(15,549,730)	-	(15,549,730)
Changes to amounts recoverable for incurred claims	-	-	34,072,956	5,717,209	39,790,165
Amortisation of insurance acquisition cash flows	(1,701,722)	-	-	-	(1,701,722)
Changes in non-performance risk of reinsurer	163,667	-	-	-	163,667
Charging for losses on onerous contracts	-	37,221	-	-	37,221
Net expenses from retakaful contracts held	(49,053,635)	(37,221)	(18,523,226)	(5,717,209)	(73,331,291)
Finance income from retakaful contracts held	-	-	4,771,115	533,868	5,304,983
Total amounts recognized in comprehensive income	-	-	-	-	-
Cash flows					
Contributions paid	(40,731,610)	-	-	-	(40,731,610)
Actual acquisition costs received	(11,457,210)	-	-	-	(11,457,210)
Actual claims received	-	-	15,549,732	-	15,549,732
Total cash flows	(52,188,820)	-	15,549,732	-	(36,639,088)
Net balance as at 31 December					
Retakaful contract assets at 31 December, 2024	(8,970,778)	(1,834)	(47,414,960)	(3,381,589)	(59,769,161)
Retakaful contract liabilities at 31 December, 2024	12,562,104	-	378,965	23,039	12,964,108
Net balance as at 31 December, 2024 (Audited)	3,591,326	(1,834)	(47,035,995)	(3,358,550)	(46,805,053)

6 Takaful and retakaful contracts (continued)

Analysis by measurement component – Contracts not measured under the PAA:

	Liabilities for remaining coverage		Liabilities for incurred claims			Total
	Best estimate liability	Risk adjustment	Contractual service margin	Best estimate liability	Risk adjustment	
	AED	AED	AED	AED	AED	AED
Takaful contracts issued						
Takaful contract assets at 1 January, 2024	(4,389,334)	-	-	-	-	(4,389,334)
Takaful contract liabilities at 1 January, 2024	723,168,493	2,385,660	26,715,830	-	-	752,269,983
Net balance as at 1 January, 2024 (Audited)	718,779,159	2,385,660	26,715,830	-	-	747,880,649
Changes related to current service	(2,963,952)	(149,104)	-	-	-	(3,113,056)
Risk adjustment recognised for the risk expired	-	(149,104)	-	-	-	(149,104)
Experience adjustment	(2,963,952)	-	-	-	-	(2,963,952)
Changes related to future service	(194,540,496)	(637,232)	210,415,551	-	-	15,237,823
Changes in estimates reflected in the CSM	(194,540,496)	(637,232)	195,177,728	-	-	-
Changes in estimates reflected in onerous contract losses	-	-	15,237,823	-	-	15,237,823
Takaful service result	197,504,448	786,336	(210,415,551)	-	-	(12,124,767)
Finance expenses from takaful contracts issued	-	149,104	(197,240,039)	-	-	(197,090,935)
Total amounts recognized in comprehensive income	-	-	-	-	-	-
Cash flows						
Contributions received	5,168,441	-	-	-	-	5,168,441
Takaful acquisition cash flows paid	(824,198)	-	-	-	-	(824,198)
Total cash flows	4,344,243	-	-	-	-	4,344,243
Takaful contract assets at 31 December, 2024	(68,798)	-	-	-	-	(68,798)
Takaful contract liabilities at 31 December, 2024	525,687,752	1,748,428	39,891,342	-	-	567,327,522
Net balance as at 31 December, 2024 (Audited)	525,618,954	1,748,428	39,891,342	-	-	567,258,724

6 Takaful and retakaful contracts (continued)

Analysis by measurement component – Contracts not measured under the PAA: (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims			Total
	Best estimate liability	Risk adjustment	Contractual service margin	Best estimate liability	Risk adjustment	
	AED	AED	AED	AED	AED	AED
Retakaful contracts issued						
Retakaful contract assets at 1 January, 2024	(41,213,031)	(2,147,094)	(41,102,457)	-	-	(84,462,582)
Retakaful contract liabilities at 1 January, 2024	29,415,061	-	21,834,981	-	-	51,250,042
Net balance as at 1 January, 2024 (Audited)	(11,797,970)	(2,147,094)	(19,267,476)	-	-	(33,212,540)
Changes related to current service	2,667,556	134,193	(3,459,095)	-	-	(657,346)
CSM recognized for the service provided	-	-	(3,459,095)	-	-	(3,459,095)
Risk adjustment recognized for the risk expired	-	134,193	-	-	-	134,193
Experience adjustment	2,667,556	-	-	-	-	2,667,556
Changes related to future service	1,007,488	948,009	(1,955,497)	-	-	-
Changes in estimates reflected in the CSM	1,007,488	948,009	(1,955,497)	-	-	-
Takaful service result	(3,675,044)	(1,082,202)	5,414,592	-	-	657,346
Finance expenses from takaful contracts issued	-	(134,192)	(1,204,217)	-	-	(1,338,409)
Total amounts recognized in comprehensive income	-	-	-	-	-	-
Cash flows						
Contributions received	(3,909,819)	-	-	-	-	(3,909,819)
Total cash flows	(3,909,819)	-	-	-	-	(3,909,819)
Net balance as at 31 December						
Retakaful contract assets at 31 December, 2024	(25,738,154)	(1,199,084)	(63,141,845)	-	-	(90,079,083)
Retakaful contract liabilities at 31 December, 2024	13,705,409	-	37,255,560	-	-	50,960,969
Net balance as at 31 December, 2024 (Audited)	(12,032,745)	(1,199,084)	(25,886,285)	-	-	(39,118,114)

7 Investments in financial assets

	June 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	Shareholders	**Policyholder**	**Total**	Shareholders	Policyholder	Total
Financial assets measured at fair value through other comprehensive income (FVTOCI) (A)						
Listed	18,804,845	-	18,804,845	19,034,172	-	19,034,172
Unlisted	2,834,527	-	2,834,527	3,380,112	-	3,380,112
	21,639,372	**-**	**21,639,372**	22,414,284	-	22,414,284
Financial assets measured at fair value through profit or loss (FVTPL) (B)						
Listed	904,300	-	904,300	723,400	-	723,400
Unlisted	-	412,415,259	412,415,259	-	508,571,028	508,571,028
	904,300	412,415,259	413,319,559	723,400	508,571,028	509,294,428
Total investment in financial assets measured at fair value (A+B)	**22,543,672**	**412,415,259**	**434,958,931**	23,137,684	508,571,028	531,708,712
Investment by geographical concentration are as follows:						
Within U.A.E.	19,709,145	-	19,709,145	19,757,572	-	19,757,572
Outside U.A.E.	2,834,527	412,415,259	415,249,786	3,380,112	508,571,028	511,951,140
	22,543,672	**412,415,259**	**434,958,931**	23,137,684	508,571,028	531,708,712

		June 30, 2025	December 31, 2024
8	**Cash and cash equivalents**	**(Unaudited)**	(Audited)
	Cash at banks	**146,889,272**	133,080,168
	Cash on hand	**20,021**	11,858
		146,909,293	133,092,026
	Less: Allowances for expected credit losses	**(50,919)**	(49,453)
		146,858,374	133,042,573
	Allocated to :		
	Takaful operations assets	**98,338,910**	72,443,638
	Shareholders' assets	**48,519,464**	60,598,935
		146,858,374	133,042,573

For the purpose of the consolidated statements of the cash flows, the cash and cash equivalents are analysed as follows:

Cash and cash equivalents	**146,858,374**	133,042,573
Cash and cash equivalents included in assets classified as held for sale	**1,008,976**	1,008,976
	147,867,350	134,051,549

The bank balances are also subject to impairment requirements of IFRS 9. However, balances with banks are assessed to have low credit risk of default.

9	**Prepayments and other receivables**		
	Advance to suppliers	**1,115,000**	1,115,000
	Prepayments	**275,198**	579,751
	Refundable deposits	**71,483**	71,483
	Staff receivables	**59,521**	692,239
	Other receivables	**3,929,889**	3,846,821
		5,451,091	6,305,294
	Allocated to:		
	Shareholders' assets	**5,451,091**	6,305,294
		5,451,091	6,305,294
10	**Share capital**		
	Authorized, issued and fully paid:		
	225,750,000 shares of AED 1 each (2024: 225,750,000 shares of AED 1 each)	**225,750,000**	225,750,000
11	**Employees' end of service benefits**		
	Balance at the beginning of the period / year	**2,540,247**	2,313,166
	Add: charge for the period / year	**145,738**	264,612
	Less: paid during the period / year	**(504,465)**	(37,531)
	Balance at the end of the period / year	**2,181,520**	2,540,247

12 Statutory deposit

In accordance with the requirements of U.A.E. Federal Law No. (48) of 2023 covering insurance companies and agencies, the Group maintains a bank deposit of AED 10 million (2024: AED 10 million) which cannot be utilized without the consent of the Central bank of U.A.E. The deposit bears a profit rate of 0.6% per annum (2024: 0.6% per annum).

13 Trade and other payables

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
Trade payables and accruals	**115,822,769**	89,328,556
Zakat payable	**324,586**	735,125
	116,147,355	90,063,681
Allocated to :		
Takaful operations assets	**93,151,546**	65,994,154
Shareholders' assets	**22,995,809**	24,069,527
	116,147,355	90,063,681

14 Disposal groups held for sale

During 2018, the Board of Directors approved the liquidation and the disposal of Technik Auto Services Centre LLC and Amity Health L.L.C., subsidiaries of the Group.

Assets under discontinued operations	**1,583,321**	1,583,321
Liabilities directly associated with assets under discontinued operations	**12,947,356**	12,947,356

Board of Directors approved the liquidation of two of the Group's subsidiaries. The Group is currently in the process of liquidation of these subsidiaries, the carrying amount of the assets and liabilities have been written down to the fair value less cost to sell. The major class of assets and liabilities of the subsidiaries at the end of the reporting period are as follows:

Cash and cash equivalents	**1,008,976**	1,008,976
Other receivables	**574,345**	574,345
Assets under discontinued operations	**1,583,321**	1,583,321
Trade and other payables	**12,947,356**	12,947,356
Liabilities directly associated with assets under discontinued operations	**12,947,356**	12,947,356
Net liabilities associated with assets under discontinued operations	**(11,364,035)**	(11,364,035)

The ex-Vice Chairman of the Group holds 1% of Nawat Investments L.L.C. and 1% of Technik Auto Service Centre Co.

L.L.C on behalf and for the benefit of the Group to meet the requirements of the legal structure of these subsidiaries.

15 Surplus / (deficit) in takaful operations' fund

	Life	Non - life	Total
Deficit in policyholders' fund			
Balance as at 1 January, 2024	(30,617,601)	6,794,478	(23,823,123)
Surplus for the year attributable to takaful operations	(9,281,656)	(2,356,868)	(11,638,524)
Transfer to retakaful default reserve during the year	(2,565)	(175,147)	(177,712)
Balance as at 31 December, 2024 (Audited)	(39,901,822)	4,262,463	(35,639,359)
Balance as at 1 January, 2025	(39,901,822)	4,262,463	(35,639,359)
Surplus for the period attributable to takaful operations	1,589,570	19,832,559	21,422,129
Transfer to retakaful default reserve during the period	798	(101,211)	(100,413)
Balance as at 30 June, 2025 (Unaudited)	**(38,311,454)**	**23,993,811**	**(14,317,643)**
Qard Hassan against deficit in takaful operations' fund			
Balance as at 1 January, 2024	30,617,601	-	30,617,601
Recovery of Qard Hassan to shareholders	9,284,221	-	9,284,221
Balance as at 31 December, 2024 (Audited)	39,901,822	-	39,901,822
Balance as at 1 January, 2025	39,901,822	-	39,901,822
Provision for Qard Hassan to shareholders	(1,590,368)	-	(1,590,368)
Balance as at 30 June, 2025 (Unaudited)	**38,311,454**	**-**	**38,311,454**
Net surplus in takaful operations' fund			
As at 30 June, 2025 (Unaudited)	**-**	**23,993,811**	**23,993,811**
As at 31 December, 2024 (Audited)	-	4,262,463	4,262,463

16 Takaful revenue

	Life	General	Total
For the six months period ended 30 June 2025 (Unaudited)			
Contracts not measured under the PAA			
Amounts relating to changes in liabilities for remaining coverage			
Incurred premiums relating to current period	(3,030,681)	-	(3,030,681)
Change in risk adjustment for non-financial risk for risk expired	(1,122,976)	-	(1,122,976)
Expected incurred claims and other insurance service expenses	(328,944)	-	(328,944)
	(4,482,601)	-	(4,482,601)
Contracts measured under the PAA	(182,039)	27,151,165	26,969,126
	(4,664,640)	**27,151,165**	**22,486,525**
For the six months period ended 30 June 2024 (Restated)			
Contracts not measured under the PAA			
Amounts relating to changes in liabilities for remaining coverage			
CSM recognised for services provided	570,880	-	570,880
Change in risk adjustment for non-financial risk for risk expired	36,792	-	36,792
Expected incurred claims and other insurance service expenses	(128,522)	-	(128,522)
	479,150	-	479,150
Contracts measured under the PAA	502,079	27,210,154	27,712,233
	981,229	27,210,154	28,191,383
For the six months period ended 30 June 2025 (Unaudited)			
Contracts not measured under the PAA			
Amounts relating to changes in liabilities for remaining coverage			
CSM recognised for services provided	3,520,004	-	3,520,004
Incurred premiums relating to current period	-	-	-
Change in risk adjustment for non-financial risk for risk expired	(933,076)	-	(933,076)
Expected incurred claims and other insurance service expenses	(1,625,168)	-	(1,625,168)
	961,760	-	961,760
Contracts measured under the PAA	159,850	(26,222,473)	(26,062,623)
	1,121,610	**(26,222,473)**	**(25,100,863)**
For the six months period ended 30 June 2024 (Restated)			
Contracts not measured under the PAA			
Amounts relating to changes in liabilities for remaining coverage			
CSM recognised for services provided	374,397	-	374,397
Change in risk adjustment for non-financial risk for risk expired	(53,215)	-	(53,215)
Expected incurred claims and other insurance service expenses	(1,158,950)	-	(1,158,950)
	(837,768)	-	(837,768)
Contracts measured under the PAA	(456,580)	(25,796,574)	(26,253,154)
	(1,294,348)	(25,796,574)	(27,090,922)

17 Takaful service income

	Life	General	Total
For the six months period ended 30 June 2025 (Unaudited)			
Gross			
Incurred claims and other expenses	65,790	6,510,985	6,576,775
Amortisation of insurance acquisition cash flows	(60,805)	726,971	666,166
Losses on onerous contracts and reversals of those losses	(1,814,428)	(2,369)	(1,816,797)
Changes to liabilities for incurred claims	(448,340)	(16,553,241)	(17,001,581)
	(2,257,783)	**(9,317,654)**	**(11,575,437)**
For the six months period ended 30 June 2024 (Restated)			
Gross			
Incurred claims and other expenses	2,318,901	8,478,312	10,797,213
Amortisation of insurance acquisition cash flows	165,686	1,715,506	1,881,192
Losses on onerous contracts and reversals of those losses	3,459,938	(513,961)	2,945,977
Changes to liabilities for incurred claims	(5,723,019)	(18,200,110)	(23,923,129)
	221,506	(8,520,253)	(8,298,747)
For the six months period ended 30 June 2025 (Unaudited)			
Reinsurance			
Incurred claims and other expenses	(55,921)	(5,690,919)	(5,746,840)
Amortisation of insurance acquisition cash flows	140	(2,329,963)	(2,329,823)
Losses on onerous contracts and reversals of those losses	-	1,515	1,515
Changes to liabilities for incurred claims	158,971	(514,700)	(355,729)
Changes in non-performance risk of reinsurer	-	40,431	40,431
	103,190	**(8,493,636)**	**(8,390,446)**
For the six months period ended 30 June 2024 (Restated)			
Reinsurance			
Incurred claims and other expenses	(1,914,801)	(5,686,634)	(7,601,435)
Amortisation of insurance acquisition cash flows	(28,221)	(837,680)	(865,901)
Losses on onerous contracts and reversals of those losses	38,512	(88,701)	(50,189)
Changes to liabilities for incurred claims	4,436,313	14,689,391	19,125,704
Changes in non-performance risk of reinsurer	(10,745)	918,532	907,787
	2,521,058	8,994,908	11,515,966

18 Investment income/(expenses)

	Six months period ended	
	June 30, 2025	June 30, 2024
	(Unaudited)	(Restated)
Income from wakala deposits with banks	771,772	410,350
Income on investment properties, net	283,000	242,000
Dividend income	304,344	-
Unrealized gain on investments in financial assets carried at FVTPL	180,900	147,612
Realized loss on investments in financial assets measured at FVTPL	-	(7,611,004)
	1,540,016	(6,811,042)
Allocated to:		
- Takaful operations assets	52,933	45,079
- Shareholders' assets	1,487,083	(6,856,121)
	1,540,016	(6,811,042)

19 Basic and diluted loss per share

	Six months period ended June 30,	
	2025	2024
	(Unaudited)	(Restated)
Weighted average number of shares outstanding during the period	225,750,000	225,750,000
Loss for the period:	(9,431,905)	(10,489,455)
Losses per share (AED per share):	**(0.0418)**	**(0.0465)**

20 Wakala fees and Mudarib's share

		2025	2024
		(Unaudited)	(Restated)
The Group manages the Takaful operations for the Policyholders and charges 33% (2024: 33%) of the gross takaful contributions net of fronting contribution as Wakala fees. In addition, the Group charges 2% (2024: 2%) on fronting contribution as Wakala fees and 100% (2024: 100%) on certain unit-linked takaful contracts. These Wakala fees rates were approved by the Group's Fatwa and Sharia'a Supervisory Board. The Wakala Fees share amounted to AED 591,361 for the period ended 30 June 2025 (30 June 2024: AED 1,881,193 (restated).	Wakala fees from policyholders	591,361	1,881,193
The Group recognizes Wakala fees over the period in which the related services are delivered, in a systematic manner.			
The Group also manages the policyholders' investment funds and is entitled to 25% (2024: 25%) of net investment income earned by the takaful operations' investment funds as the Mudarib's share. The Mudarib's share amounted to AED 13,233 for the period ended 30 June 2025 (30 June 2024: AED 11,270).	Mudarib's share from policyholders	13,233	11,270

21 Contingencies

1. At the reporting date, the Group has contingent liabilities in respect of bank and other guarantees arising in the ordinary course of business amounting to AED 0.47 million.
2. The Group is involved as a defendant in a number of legal cases with other insurance and reinsurance companies and customers.
3. A provision is made in respect of each individual case where it is probable that the outcome would result in a loss to the Group in terms of an outflow of economic resources and a reliable estimate of the amount of outflow can be made.
4. The expected outcome of the cases is dependent on future legal proceedings.

22 Segmental information

Operating segments are identified on the basis of internal reports about the components of the Group that are regularly reviewed by the Group's management in order to allocate resources to the segment and to assess its performance. Information reported to the Group's Board of Directors for the purpose of resource allocation and assessment of performance is based on following strategic business activities:

1. **Investment activities:** represent investment and cash management for the Group's own account.
2. **Underwriting of takaful business**: incorporating all classes of takaful business. This business is conducted fully within the U.A.E.

22 Segmental information (continued)

The following table presents segment information for the period/year ended June 30, 2025 and December 31, 2024:

	June 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	Investments	**Underwriting**	**Total**	Investments	Underwriting	Total
Segment assets	**132,208,502**	**748,803,820**	**881,012,322**	145,753,319	814,270,212	960,023,531
Segment liabilities	**103,215,469**	**748,803,820**	**852,019,289**	107,527,610	814,270,212	921,797,822

The following table presents segment information for the period/year ended June 30, 2025 and June 30, 2024:

	June 30, 2025 (Unaudited)			June 30, 2024 (Restated)		
	Investments	**Underwriting**	**Total**	Investments	Underwriting	Total
Net takaful income	**-**	**21,973,790**	**21,973,790**	-	(1,024,803)	(1,024,803)
Wakala fees	**591,361**	**(591,361)**	**-**	1,881,193	(1,881,193)	-
Mudarib's share	**13,233**	**(13,233)**	**-**	11,270	(11,270)	-
Policy acquisition cost	**(577,267)**	**-**	**(577,267)**	(1,262,497)	-	(1,262,497)
	27,327	**21,369,196**	**21,396,523**	629,966	(2,917,266)	(2,287,300)
Investment income	**1,487,083**	**52,933**	**1,540,016**	(6,856,121)	45,079	(7,258,049)
Other operating income	**6,063**	**-**	**6,063**	5,622,000	-	4,162,759
Other expenses	**(12,542,747)**	**-**	**(12,542,747)**	(6,694,449)	-	(3,357,670)
Net (loss)/profit for the period before Qard Hassan	**(11,022,274)**	**21,422,129**	**10,399,855**	(7,298,604)	(2,872,187)	(10,170,791)
Recovery/(provision) of Qard Hassan to shareholders	**5,115,623**	**(5,115,623)**	**-**	(3,190,851)	3,190,851	-
Net (loss)/profit for the period	**(5,906,651)**	**16,306,506**	**10,399,855**	(10,489,455)	318,664	(10,170,791)

23 Consolidated Statement of Financial Position – Takaful Operations' Assets and Liabilities (Life and Non-Life)

	June 30, 2025 (Unaudited)			December 31, 2024 (Audited)		
	Life	**Non-life**	**Total**	Life	Non-life	Total
Assets						
Takaful operations' assets						
Investment property	**-**	**10,139,386**	**10,139,386**	-	10,139,386	10,139,386
Takaful contract assets	**-**	**14,268,256**	**14,268,256**	719,390	4,963,073	5,682,463
Retakaful contract assets	**92,437,393**	**56,381,711**	**148,819,104**	92,230,346	57,617,898	149,848,244
Financial assets measured at fair value through profit or loss (FVTPL)	**412,415,259**	**-**	**412,415,259**	508,571,028	-	508,571,028
Due from shareholders	**23,182,812**	**41,640,093**	**64,822,905**	24,649,505	42,935,948	67,585,453
Cash and cash equivalents	**93,847,482**	**4,491,428**	**98,338,910**	62,055,670	10,387,968	72,443,638
Total takaful operations' assets	**621,882,946**	**126,920,874**	**748,803,820**	688,225,939	126,044,273	814,270,212
Liabilities, policyholders' fund and shareholders' equity						
Takaful operations' liabilities						
Trade and other payables	**93,151,546**	**-**	**93,151,546**	61,359,420	4,634,734	65,994,154
Takaful contract liabilities	**478,118,094**	**97,421,609**	**575,539,703**	572,536,660	104,633,069	677,169,729
Retakaful contract liabilities	**49,779,794**	**3,386,681**	**53,166,475**	53,495,549	10,429,528	63,925,077
Amounts held under retakaful treaties	**-**	**69,159**	**69,159**	-	136,076	136,076
Total takaful operations' liabilities	**621,049,434**	**100,877,449**	**721,926,883**	687,391,629	119,833,407	807,225,036

23 Consolidated Statement of Financial Position – Takaful Operations' Assets and Liabilities (Life and Non-Life) (continued)

	June 30, 2025			December 31, 2024		
	(Unaudited)			(Audited)		
	Life	Non-life	Total	Life	Non-life	Total
Takaful operations' surplus						
Deficit in policyholders' fund	**(38,311,454)**	**23,993,811**	**(14,317,643)**	(39,901,822)	4,262,463	(35,639,359)
Qard Hassan from shareholders	**38,311,454**	**-**	**38,311,454**	39,901,822	-	39,901,822
Re-takaful default reserve	**833,512**	**2,624,021**	**3,457,533**	834,310	2,522,810	3,357,120
Takaful operations' investments revaluation reserve	**-**	**(574,407)**	**(574,407)**	-	(574,407)	(574,407)
Total Surplus from takaful operations	**833,512**	**26,043,425**	**26,876,937**	834,310	6,210,866	7,045,176
Total takaful operations' liabilities and surplus	**621,882,946**	**126,920,874**	**748,803,820**	688,225,939	126,044,273	814,270,212

24 Consolidated Statement of Profit or Loss - Life and Non-Life

	June 30, 2025			December 31, 2024		
	(Unaudited)			(Audited)		
	Life	Non-life	Total	Life	Non-life	Total
Attributable to policyholders						
Takaful (expenses)/revenue	**(4,664,639)**	**27,151,164**	**22,486,525**	981,229	27,210,154	28,191,383
Takaful service income	**2,257,783**	**9,317,654**	**11,575,437**	(221,506)	8,520,253	8,298,747
Takaful service results before retakaful contracts held	**(2,406,856)**	**36,468,818**	**34,061,962**	759,723	35,730,407	36,490,130
Retakaful revenue/(expenses) - net	**3,347,535**	**(17,728,838)**	**(14,381,303)**	(3,815,406)	(34,791,482)	(38,606,888)
Takaful service result	**940,679**	**18,739,980**	**19,680,659**	(3,055,683)	938,925	(2,116,758)

24 Consolidated Statement of Profit or Loss - Life and Non-Life (continued)

	June 30, 2025			December 31, 2024		
	(Unaudited)			(Audited)		
	Life	**Non-life**	**Total**	Life	Non-life	Total
Takaful finance expense for takaful contracts issued	**(59,255)**	**(1,879,059)**	**(1,938,314)**	(264,882)	(3,194,921)	(3,459,803)
Retakaful finance income for retakaful contracts held	**708,146**	**1,205,226**	**1,913,372**	739,532	2,410,234	3,149,766
Net takaful income	**1,589,570**	**18,066,147**	**19,655,717**	(2,581,033)	154,238	(2,426,795)
Investment income - net	**-**	**52,933**	**52,933**	-	45,079	45,079
Mudarib's share	**-**	**(13,233)**	**(13,233)**	-	(11,270)	(11,270)
Surplus of takaful and investment results	**1,589,570**	**18,105,847**	**19,695,417**	(2,581,033)	188,047	(2,392,986)
Other income/(loss)	**-**	**1,726,712**	**1,726,712**	(720,167)	240,966	(479,201)
Surplus from takaful operations for the period	**1,589,570**	**19,832,559**	**21,422,129**	(3,301,200)	429,013	(2,872,187)

25 Capital management

(i) Governance framework

The primary objective of the Group's risk and financial management framework is to protect the Group's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

The Group's risk management function is carried out by the Board of Directors, with its associated committees. This is supplemented with a clear organisational structure with delegated authorities and responsibilities from the Board of Directors to the Chief Executive Officer and other senior managers. The Group is currently in the process of updating the risk management function to address the changes in the Group's operations with regards to the sale of the entire takaful portfolio.

The Board of Directors meets regularly to approve any commercial, regulatory and organisational decisions. The Board of Directors defines the Group's risk and its interpretation, limits structure to ensure the appropriate quality and diversification of assets, aligns underwriting and retakaful strategy to the corporate goals, and specifies reporting requirements.

(ii) Capital management framework

The primary objective of the Group's capital management is to comply with the regulatory requirements in the U.A.E. and to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholders value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

(iii) Regulatory framework

Regulators are primarily interested in protecting the rights of the policyholders and monitor them closely to ensure that the Group is satisfactorily managing affairs for their benefit. At the same time, the regulators are also interested in ensuring that the Group maintains an appropriate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters. The operations of the Group are also subject to regulatory requirements within the jurisdictions where it operates. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (e.g. capital adequacy) to minimise the risk of default and insolvency on the part of the insurance companies to meet unforeseen liabilities as these arise.

As per Article (8) of Section 2 of the Financial Regulations, the Group is required, at all times, to comply with the requirements of Solvency Margin. The solvency position of the Group as of June 30, 2025 and December 31, 2024 is presented below:

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
Minimum Capital Requirement (MCR)	**100,000,000**	100,000,000
Solvency Capital Requirement (SCR)	**16,862,509**	19,247,547
Minimum Guarantee Fund (MGF)	**24,000,000**	25,000,000
Total Basic Own Funds	**16,269,771**	(6,256,484)
MCR Solvency Margin - Deficit	**(83,730,229)**	(106,256,484)
SCR Solvency Margin - Deficit	**(592,737)**	(25,504,031)
MGF Solvency Margin - Deficit	**(7,730,229)**	(31,256,484)

25 Capital management (continued)

(iii) Regulatory framework (continued)

To address the solvency deficit, the Group's management initially submitted a recovery plan to the Central Bank of United Arab Emirates ("CBUAE") which involved a substantial capital injection by means of a rights issue; however, the plan was subsequently changed, because it was envisaged that shareholders are unlikely to support a capital injection in the prevailing economic and financial circumstances. The new plan, which is subject to the regulatory approval, envisages selling the portfolios of the takaful business to other takaful companies and, aided partly by the proceeds resulting the sale of the takaful portfolios and partly by other assets, generating enough capital to transform the company into a viable investment firm to safeguard and preserve shareholders' value. The Group has informed the CBUAE of its revised plans and received (in-principle/ no-objection letter) approval to proceed with the above sale negotiations, in addition on 24 May 2023, the Group has received the preliminary approval from the CBUAE on the sale transaction, and on 20 July 2023, the Group has received the final approval from the CBUAE on the transfer of the individual life insurance portfolio to Abu Dhabi National Takaful Company P.S.C.

On 1 August 2024, management received a notice terminating the insurance portfolio transfer agreement between the Group and Abu Dhabi National Takaful Company P.S.C. As a consequence to this, on 8 August, the Group's management has sent a formal objection letter to Abu Dhabi National Takaful Company P.S.C. stating that the Group's management expects the portfolio transfer by August 31, 2024.

On 26 September 2024, the Islamic Arab Insurance Co. (SALAMA) PSC declared in DFM the termination of Partial Acquisition Agreement with the Group. Accordingly, on September 27, 2024. The Group declared to DFM that Salama decided to terminate the Acquisition agreement. The Group is currently evaluating alternative strategies to address this development.

The Board of Directors has resolved to continue the Group's takaful activities while exploring other feasible options.

26 Fair value of financial instruments (Continued)

Regulatory framework (Continued)

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 liability, the Group takes into account the characteristics of the asset or liability if market participants would consider those characteristics when pricing the asset or liability at the measurement date.

For financial reporting purposes, fair value measurements are categorised into Level 1, Level 2, or Level 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of those inputs to the fair value measurement in its entirety, as follows:

Level 1: Fair value measurements derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Fair value measurements derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3: Fair value measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Financial assets	Fair value as at					
	June 30, 2025 **(Unaudited)**	December 31, 2024 (Audited)	**Fair value hierarchy**	**Valuation techniques and key inputs**	**Significant unobservable input**	**Relationship of unobservable inputs to fair value**
Financial assets at FVTOCI						
Quoted equity securities	**18,804,845**	19,034,172	Level 1	Quoted bid prices in an active market	None	Not applicable
Unquoted equity securities	**2,834,527**	3,380,112	Level 3	Net assets valuation method and comparable multiples	Net assets value	Higher the net assets value of the investees, higher the fair value
Financial assets at FVTPL						
Quoted equity securities	**904,300**	723,400	Level 1	Quoted bid prices in an active market	None	Not applicable
Unit linked investments	**412,415,259**	508,571,028	Level 3	Net assets valuation method	Net assets value	Higher the net assets value of the investees, higher the fair value

There were no transfers between each of the levels during the period/year ended June 30, 2025 and December 31, 2024.
There were no changes in the valuation techniques and key inputs during the period/year ended June 30, 2025 and December 31, 2024.

26 Fair value of financial instruments (Continued)

Reconciliation of level 3 fair value measurement of financial assets measured at FVTOCI:

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
At beginning of period/year	**3,380,112**	3,325,211
Changes in fair value	**(545,585)**	54,901
At end of the period/year	**2,834,527**	3,380,112

Reconciliation of the unit linked investments measured at FVTPL:

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
Unit linked investments		
At beginning of period/year	**508,571,028**	705,670,303
Net movement	**(96,155,769)**	(197,099,275)
At end of the period/year	**412,415,259**	508,571,028

The investments classified under Level 3 category have been fair valued based on information available for each investment. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

Although the Group believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3 (other than unit linked investments), changing one or more of the assumptions by 5% would have an impact of AED 141,726 (2024: AED 169,006).

27 Significant events

The Group has resolved the issues with the former CEO, concerning the assets held by an entity controlled by him that were disposed of without the Group's approval. The Group has collected AED 6.4 milion due in this respect. The remaining outstanding amount of AED 1.6 million should be settled before yearend 2025.

28 Subsequent events

There have been no events subsequent to the condensed consolidated interim statement of financial position date that would significantly affect the amounts reported in the condensed consolidated interim financial statements as at and for the period ended June 30, 2025.

29 Approval of financial information

The interim condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on November 27, 2025.