

Watania International Holding (PJSC)

Review report and condensed interim consolidated financial information for the three-month period ended 31 March 2026

Review report and condensed interim consolidated financial information for the three-month period ended 31 March 2026

Table of Contents	Pages
Review report of the Independent Auditor	1
Condensed interim consolidated statement of financial position	2
Condensed interim consolidated statement of comprehensive income	3
Condensed interim consolidated statement of changes in equity	4
Condensed interim consolidated statement of cash flows	5-6
Notes to the condensed interim consolidated financial information	7-37

INDEPENDENT AUDITOR'S REVIEW REPORT

The Board of Directors
Watania International Holding (PJSC)
Dubai
United Arab Emirates

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Watania International Holding (PJSC) (the "Company") and its subsidiaries (the "Group") as at 31 March 2026 and the related statements of comprehensive income, changes in equity and cash flows for the three month period then ended and material accounting policy information and other explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

Deloitte & Touche (M.E.)




Signed by: •
Firas Anabtawi
Registration No. 5482
May 13, 2026
Dubai
United Arab Emirates


Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of financial position
As at 31 March 2026

	Notes	31 March 2026 (Unaudited) AED'000	31 December 2025 (Audited) AED'000
ASSETS			
Investment properties	5	76,717	76,717
Property and equipment		10,125	10,706
Intangible assets		33,750	34,925
Investments at amortised cost	6	-	4,403
Investments at fair value through other comprehensive income (FVTOCI)	6	1,000	1,000
Investments at fair value through profit or loss (FVTPL)	6	604,723	563,695
Retakaful contract assets	7	258,429	247,356
Trade and other receivables	8	36,303	47,835
Cash and bank balances	9	421,765	422,148
TOTAL ASSETS		1,442,812	1,408,785
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	260,156	260,156
Statutory reserve	11	17,722	17,722
Restricted reserve	11	9,441	9,441
Accumulated losses		(23,405)	(18,430)
Treasury shares	11	(8,404)	(9,986)
Reserves for treasury shares	11	2,585	3,113
Total equity		258,095	262,016
Liabilities			
Employees' end of service benefits		17,915	17,377
Deferred tax liability	16	4,204	5,060
Lease liability		4,428	4,382
Takaful contract liabilities	7	925,624	888,824
Retakaful contract liabilities	7	95,287	79,969
Trade and other payables	12	34,565	48,737
Current tax liability	16	2,694	2,420
Borrowings	13	100,000	100,000
Total liabilities		1,184,717	1,146,769
TOTAL EQUITY AND LIABILITIES		1,442,812	1,408,785

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the condensed interim consolidated financial information present fairly in all material respects the financial position, financial performance and cash flows of the Group.


Dr. Ali Saeed Bin Harmal Aldhaheri
Chairman


Mr. Gautam Datta
Chief Executive Officer

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

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of comprehensive income
For the period ended 31 March 2026

	Notes	Three-month period ended 31 March 2026 (Unaudited) AED'000	Three-month period ended 31 March 2025 (Unaudited) AED'000
Takaful revenue	14	202,807	184,295
Takaful service expenses	15	(164,955)	(127,978)
Takaful service result before retakaful contracts held		37,852	56,317
Allocation of retakaful contributions		(84,778)	(74,294)
Amounts recoverable from retakaful for incurred claims		46,721	14,661
Net expense from retakaful contracts held		(38,057)	(59,633)
Takaful service result		(205)	(3,316)
Finance income for takaful contracts issued		5,364	4,083
Finance income for retakaful contracts held		4,165	8,482
Takaful financial result		9,529	12,565
Net takaful income		9,324	9,249
Net fair value loss on assets held at FVTPL (unit-linked)		(7,775)	(8,367)
Investment (loss)/income		(1,539)	3,012
Total investment and other loss		(9,314)	(5,355)
Net takaful and finance result		10	3,894
General and administrative expenses		(3,578)	(4,646)
Amortisation of intangibles		(817)	(745)
Finance cost		(1,140)	(908)
Other (expense)/ income		(32)	250
Loss for the period before tax		(5,557)	(2,155)
Income tax credit	16	582	107
Loss for the period after tax		(4,975)	(2,048)
Other comprehensive income		-	-
Total comprehensive loss for the period		(4,975)	(2,048)
Loss per share (AED)			
Basic and diluted	17	(0.019)	(0.008)

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

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of changes in equity
For the period ended 31 March 2026

	Share capital AED'000	Treasury shares AED'000	Statutory reserve AED'000	Restricted reserve AED'000	Accumulated losses AED'000	Reserve for treasury shares AED'000	Total AED'000
As at 1 January 2026 (audited)	260,156	(9,986)	17,722	9,441	(18,430)	3,113	262,016
Total comprehensive loss for the period	-	-	-	-	(4,975)	-	(4,975)
Sale of Treasury shares (note 11)	-	1,582	-	-	-	(528)	1,054
As at 31 March 2026 (Unaudited)	260,156	(8,404)	17,722	9,441	(23,405)	2,585	258,095
As at 1 January 2025 (As previously reported)	260,156	(7,554)	12,621	7,359	(38,660)	2,282	236,204
Prior year adjustment	-	-	(351)	-	(6,596)	-	(6,947)
As at 1 January 2025 (Audited and restated)	260,156	(7,554)	12,270	7,359	(45,256)	2,282	229,257
Total comprehensive loss for the period	-	-	-	-	(2,048)	-	(2,048)
Purchase of Treasury shares (note 11)	-	(1,291)	-	-	-	420	(871)
As at 31 March 2025 (Unaudited)	260,156	(8,845)	12,270	7,359	(47,304)	2,702	226,338

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

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of cash flows
For the period ended 31 March 2026

	Three-month period ended 31 March 2026 (Unaudited) AED'000	Three-month period ended 31 March 2025 (Unaudited) AED'000
Cash flows from operating activities		
Loss before tax for the period	(5,557)	(2,155)
Adjustments for:		
Depreciation of property and equipment	601	627
Write-off of property and equipment	-	121
Amortisation of intangibles	1,175	1,204
Unrealised loss on financial assets at FVTPL	8,689	764
Realised (gain)/ loss on financial assets at FVTPL	(2,949)	278
Income from dividends	(128)	-
Income from deposits	(2,351)	(2,217)
Income from investments held at amortized cost	(1,065)	(923)
Finance cost	1,140	908
Finance cost on lease liability	73	370
Rental income	(1,216)	(1,211)
(Release)/Provision for expected credit losses	(318)	1
Provision for employees' end of service benefits	723	476
Operating cash flows before changes in working capital	(1,183)	(1,757)
Change in trade and other receivables	8,976	(5,293)
Change in Retakaful contract assets and liabilities – net	4,245	30,003
Change in takaful contract assets and liabilities – net	44,575	(13,000)
Change in trade and other payables	(14,172)	27,157
Cash generated from operations	42,441	37,110
Employee's end of service benefits paid	(185)	(1,198)
Net cash generated from operating activities	42,256	35,912
Cash flows from investing activities		
Purchase of property and equipment	(20)	(279)
Purchase of intangible assets	-	(24)
Proceeds from sale of investments carried at FVTPL	68,048	34,929
Purchase of equity investments carried at FVTPL	(122,590)	(59,534)
Income received on deposits	5,431	482
Income received on investment held at amortised cost	4,403	386
Proceeds from redemption of investment held at amortised cost	248	4,406
Rental income received	1,908	1,482
Dividend received	46	-
Change in wakala deposits – net	34,001	(96,850)
Net cash used in investing activities	(8,525)	(115,002)

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

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Condensed interim consolidated statement of cash flows (continued)
For the period ended 31 March 2026

	Three-month period ended 31 March 2026 (Unaudited) AED'000	Three-month period ended 31 March 2025 (Unaudited) AED'000
Cash flows from financing activities		
Sale/(purchase) of treasury shares	1,054	(871)
Proceeds from murabaha facility	-	51,125
Lease payments	(27)	(305)
Finance costs paid	(1,140)	(908)
Net cash (used in)/ generated from financing activities	(113)	49,041
Net change in cash and cash equivalents	33,618	(30,049)
Cash and cash equivalents, beginning of period	128,111	123,111
Cash and cash equivalents, end of period (note 8)	161,729	93,062

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

Watania International Holding (PJSC) Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information For the period ended 31 March 2026

1 Legal status and activities

Watania International Holding (PJSC) (the “Company”) was incorporated as a public joint stock company. During the year 2023, the Company’s insurance license has been cancelled as it will be an investment holding company and changed its name from Dar Al Takaful (PJSC) to Watania International Holding (PJSC). The address of the Company is P.O. Box 235353, Dubai, United Arab Emirates.

The Company obtained its commercial license on 23 July 2008 and commenced operations on 1 September 2008.

The condensed interim consolidated financial information has been prepared in accordance with the requirements of the applicable laws and regulations, including UAE Federal Law No. (32) of 2021, as amended, and the UAE Federal Decree Law No. (6) of 2025 regarding the Central Bank, Regulation of Financial Institutions and Activities, and Insurance Business.

The primary activity of the Company includes investment in subsidiaries and securities such as agricultural, commercial, educational, energy, industrial, technological, and tourist enterprises & management, outer space projects, health care, sports, and water enterprises & development, oil & natural gas projects.

The Company with its subsidiaries is together referred to as the “Group” in this condensed interim consolidated financial information. Set out below are the details of the principal subsidiaries held directly by the Company, in UAE which is the country of their incorporation and principal place of business:

Name of subsidiary	Proportion of ownership interest		Principal activities
	31 March 2026	31 December 2025	
Watania Takaful Family (PJSC)	100%	100%	Family takaful and retakaful activities
Watania Takaful General (PJSC)	100%	100%	General takaful and retakaful activities

2 Basis of preparation

The condensed interim consolidated financial information are for the three-month period ended 31 March 2026 and are presented in United Arab Emirate Dirham (AED), which is also the functional currency of the Group. This condensed interim consolidated financial information have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ and complies with the applicable requirements of the laws in the U.A.E. The condensed consolidated interim financial information does not include all the information required in annual financial information in accordance with IFRS Accounting Standards (“IFRS”) and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2025. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The Group presents its condensed interim consolidated statement of financial position broadly in order of liquidity, with a distinction based on expectations regarding recovery or settlement within twelve months after the reporting date (current) and more than twelve months after the reporting date (non-current). However, the following balances would generally be classified as current: Cash and cash equivalents, prepayments and other receivables, accruals and other payables. The following balances would generally be classified as non-current: property and equipment, right of use assets, investment properties, statutory deposit and provision for employees’ end of service indemnity. The following balances are of mixed nature (including both current and non-current portions): investments at amortised cost, investments at fair value through profit or loss, reinsurance contract assets and liabilities, insurance contract assets and liabilities, bank balances and fixed deposits.

Watania International Holding (PJSC)

Condensed interim consolidated financial information (Unaudited)

2 Basis of preparation (continued)

Basis of consolidation

The condensed interim consolidated financial information comprise the financial information of the Company and its subsidiaries as at 31 March 2026.

Control is achieved when the Company 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 Company controls an investee if, and only if, the Company 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.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Company's voting rights and potential voting rights

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Company loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

3 Material accounting policy information

Application of new and revised IFRS Accounting Standards (IFRSs)

3.1 New and revised IFRSs applied with no material effect on the condensed interim consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2026, have been adopted in condensed interim consolidated financial information. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments

The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments.

Amendments IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity

The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity.

Annual improvements to IFRS Accounting Standards — Volume 11

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a 'de facto agent'
- IAS 7: Cost method

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

3 Material accounting policy information (continued)

3.2 Application of new and revised IFRS Accounting Standards (IFRSs) (continued)

New and revised IFRS in issue but not yet effective

<u>New and revised IFRSs</u>	<u>Effective for annual periods beginning on or after</u>
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)	1 January 2027
Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Joint Ventures (2011)	Effective date deferred indefinitely. Adoption is still permitted.
<i>IFRS Sustainability Disclosure Standards</i>	
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	Effective date not yet decided by the regulator in the United Arab Emirates
IFRS S2 Climate-related Disclosures	Effective date not yet decided by the regulator in the United Arab Emirates

The above stated new standards and amendments are not expected to have any significant impact, on the consolidated financial statements, other than IFRS 18. The Group is currently working to identify the impact IFRS 18 will have on its consolidated financial statements.

4 Critical accounting estimates and judgments in applying accounting policies

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

In preparing this condensed interim consolidated financial information, the significant judgements made by management in applying the accounting policies 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 2025.

The heightened tensions in the Middle East have created regional uncertainty. Given the rapidly evolving nature of the situation, it is not currently possible to reliably quantify any potential financial impact, whether adverse or favourable. Accordingly, no adjustments have been made to the condensed interim consolidated financial information as of the reporting date. Management will continue to monitor developments and assess potential implications for operations, financial position, and performance.

Insurance and financial risk management

The Group's insurance and financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements as at and for the year ended 31 December 2025. There have been no changes in any risk management policies since the year end.

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

5 Investment properties

Investment properties comprise buildings, which are located in United Arab Emirates.

Management estimates that there has been no change in the fair value of investment properties during the three-month period ended 31 March 2026. The carrying value of the investment properties as at 31 March 2026 is AED 76.7 million (31 December 2025: AED 76.7 million). Investment properties are classified as Level 3 in the fair value hierarchy as at 31 March 2026 (31 December 2025: Level 3).

6 Investment in securities

Investment at amortised cost

Amortised cost investments comprise the following:

	(Unaudited)	(Audited)
	31 March	31 December
	2026	2025
	AED'000	AED'000
Quoted debt securities inside U.A.E.	-	4,403

The fair value of the investments at amortised cost amounted to AED Nil as of 31 March 2026 (31 December 2025: AED 4.4 million). These investments yield rates range from 2.95% to 5.70% (2025: 1.83% to 5.70%).

Sukuk worth AED Nil million (31 December 2025: AED 4.4 million) and Wakala deposit worth AED 21.1million (31 December 2025: AED 16.7 million) are held in margin accounts against a guarantee of AED 14.8 million (31 December 2025: AED 14.8 million) to issue takaful business related performance and tender bonds.

Investments at fair value through profit or loss

Investments at fair value through profit or loss comprises the following:

	(Unaudited)	(Audited)
	31 March	31 December
	2026	2025
	AED'000	AED'000
Investment in mutual funds	351,227	363,399
Investment in debt securities	189,158	99,314
Investment in equity securities	64,338	100,982
	604,723	563,695
Quoted securities inside UAE	253,496	200,296
Unquoted securities inside U.A.E.	15,799	16,243
Unquoted securities outside U.A.E.	335,428	347,156
	604,723	563,695

Investments at fair value through other comprehensive income

Fair value through other comprehensive income comprises the following:

	(Unaudited)	(Audited)
	31 March	31 December
	2026	2025
	AED'000	AED'000
Unquoted debt securities in U.A.E.	1,000	1,000
	1,000	1,000

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

6 Investment in securities (continued)

The movement in investment in securities is as follows:

31 March 2026 (Unaudited)	Investments at amortised cost AED'000	Investments at FVTOCI AED'000	Investments at FVTPL AED'000	Total AED'000
At 1 January 2026 (Audited)	4,403	1,000	563,696	569,099
Addition during the period	-	-	122,590	122,590
Maturity during the period	(4,403)	-	-	(4,403)
Disposal during the period	-	-	(68,048)	(68,048)
Fair value loss on financial assets at FVTPL - unit linked	-	-	(7,775)	(7,775)
Fair value loss on financial assets at FVTPL	-	-	(5,740)	(5,740)
At 31 March 2026	-	1,000	604,723	605,723

31 December 2025 (Audited)	Investments at amortised cost AED'000	Investments at FVTOCI AED'000	Investments at FVTPL AED'000	Total AED'000
At 1 January	20,915	1,000	476,205	498,120
Addition during the year	-	-	220,852	220,852
Maturity during the year	(16,512)	-	-	(16,512)
Disposal during the year	-	-	(163,666)	(163,666)
Fair value gain on financial assets at FVTPL - unit linked	-	-	21,590	21,590
Fair value gain on financial assets at FVTPL	-	-	8,715	8,715
At 31 December 2025	4,403	1,000	563,696	569,099

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts

The breakdown of groups of takaful contracts issued and retakaful contracts held, that are in an asset position and those in a liability position is set out in the table on the below:

Takaful contracts issued

	(Unaudited)			(Audited)		
	31 March 2026			31 December 2025		
	Assets	Liabilities	Net	Assets	Liabilities	Net
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
General takaful	-	(309,504)	(309,504)	-	(314,398)	(314,398)
Medical takaful	-	(198,267)	(198,267)	-	(159,495)	(159,495)
Family takaful	-	(417,853)	(417,853)	-	(414,931)	(414,931)
Total takaful contracts issued	-	(925,624)	(925,624)	-	(888,824)	(888,824)

Retakaful contracts held

	(Unaudited)			(Audited)		
	31 March 2026			31 December 2025		
	Assets	Liabilities	Net	Assets	Liabilities	Net
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
General takaful	130,055	(15,883)	114,172	139,669	(6,144)	133,525
Medical takaful	117,647	(78)	117,569	98,931	(63)	98,868
Family takaful	10,727	(79,326)	(68,599)	8,756	(73,762)	(65,006)
Total retakaful contracts held	258,429	(95,287)	163,142	247,356	(79,969)	167,387

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for takaful contracts issued showing the liability for remaining coverage and the liability for incurred claims

Contracts measured under the PAA

	Liabilities for remaining coverage		Liabilities for incurred claims		Total AED'000
	Excluding loss component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment AED'000	
31 March 2026 (Unaudited)					
Takaful contract liabilities as at 1 January 2026 (Audited)	166,800	-	367,780	16,066	550,646
Less: Takaful contract assets as at 1 January 2026 (Audited)	-	-	-	-	-
Net takaful contract liabilities (Audited)	166,800	-	367,780	16,066	550,646
Takaful revenue	(199,748)	-	-	-	(199,748)
Takaful service expenses					
Incurred claims and other expenses	-	-	85,035	2,499	87,534
Net takaful acquisition costs	34,114	-	-	-	34,114
Losses on onerous contract	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	39,370	(1,637)	37,733
Takaful service result	(165,634)	-	124,405	862	(40,367)
Takaful finance expenses	-	-	2,282	-	2,282
Total changes in statement of comprehensive income	(165,634)	-	126,687	862	(38,085)
Cash flows					
Contributions received	208,869	-	-	-	208,869
Claims and other expenses paid	-	-	(98,335)	-	(98,335)
Direct attributable expense	-	-	(2,443)	-	(2,443)
Takaful acquisition cash flows	(30,486)	-	-	-	(30,486)
Total cash flows	178,383	-	(100,778)	-	77,605
Takaful contract liabilities as at 31 March 2026	179,549	-	393,689	16,928	590,166
Takaful contract assets as at 31 March 2026	-	-	-	-	-
Net takaful contract liabilities as at 31 March 2026	179,549	-	393,689	16,928	590,166

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for takaful contracts issued showing the liability for remaining coverage and the liability for incurred claims (continued)

Contracts measured under the PAA (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims		Total AED'000
	Excluding loss component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment AED'000	
31 December 2025 (Audited)					
Takaful contract liabilities as at 1 January 2025, restated	179,516	-	401,255	19,234	600,005
Takaful contract assets as at 1 January 2025	(22)	-	3	-	(19)
Net takaful contract liabilities as at 1 January 2025, restated	179,494	-	401,258	19,234	599,986
Takaful revenue	(902,850)	-	-	-	(902,850)
Takaful service expenses					
Incurred claims and other expenses	-	-	542,871	16,099	558,970
Net takaful acquisition costs	157,564	-	-	-	157,564
Losses on onerous contract and reversals	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(40,131)	(19,267)	(59,398)
Takaful service result	(745,286)	-	502,740	(3,168)	(245,714)
Takaful finance expenses	-	-	8,127	-	8,127
Total changes in statement of comprehensive income	(745,286)	-	510,867	(3,168)	(237,587)
<i>Cash flows</i>					
Contributions received	903,221	-	-	-	903,221
Claims and other expenses paid	-	-	(532,053)	-	(532,053)
Direct attributable expense	-	-	(12,292)	-	(12,292)
Takaful acquisition cash flows	(170,629)	-	-	-	(170,629)
Total cash flows	732,592	-	(544,345)	-	188,247
Net takaful contract liabilities as at 31 December 2025					
Takaful contract liabilities as at 31 December 2025	166,800	-	367,780	16,066	550,646
Less: Takaful contract assets as at 31 December 2025	-	-	-	-	-
Net takaful contract liabilities as at 31 December 2025	166,800	-	367,780	16,066	550,646

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for takaful contracts issued showing the liability for remaining coverage and the liability for incurred claims (continued)

Contracts not measured under the PAA

	Liability for remaining coverage		Liabilities for incurred claims	Total AED'000
	Excluding loss component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	
31 March 2026 (Unaudited)				
Takaful contract liabilities as at 1 January 2026 (Audited)	269,670	63,137	5,371	338,178
Takaful revenue	(3,059)	-	-	(3,059)
Takaful service expenses				
Incurred claims and other expenses	-	-	384	384
Net takaful acquisition costs	1,766	-	-	1,766
Losses on onerous contract and reversals	-	3,502	-	3,502
Changes to liabilities for incurred claims	-	-	(78)	(78)
Investment components	(6,908)	-	6,908	-
Takaful service result	(8,201)	3,502	7,214	2,515
Takaful finance (income) / expenses	(7,670)	8	16	(7,646)
Total changes in statement of comprehensive income	(15,871)	3,510	7,230	(5,131)
Cash flows				
Contribution received	14,573	-	-	14,573
Claims and other expenses paid	-	-	(7,281)	(7,281)
Takaful acquisition cash flows	(4,881)	-	-	(4,881)
Total cash flows	9,692	-	(7,281)	2,411
Net takaful contract liabilities as at 31 March 2026	263,491	66,647	5,320	335,458

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for takaful contracts issued showing the liability for remaining coverage and the liability for incurred claims (continued)

Contracts not measured under the PAA (continued)

	Liability for remaining coverage		Liabilities for incurred claims	Total AED'000
	Excluding loss component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	
31 December 2025 (Audited)				
Net takaful contract liabilities as at 1 January 2025	249,117	61,418	5,176	315,711
Takaful revenue	(15,573)	-	-	(15,573)
Takaful service expenses				
Incurred claims and other expenses	-	-	2,740	2,740
Net takaful acquisition costs	8,325	-	-	8,325
Losses on onerous contract	-	1,644	-	1,644
Changes to liabilities for incurred claims	-	-	79	79
Investments component	(55,325)	-	55,325	-
Takaful service result	(62,573)	1,644	58,144	(2,785)
Takaful finance expenses	21,972	75	22	22,069
Total changes in statement of comprehensive income	(40,601)	1,719	58,166	19,284
Cash flows				
Contribution received	92,347	-	-	92,347
Claims and other expenses paid	-	-	(57,971)	(57,971)
Takaful acquisition cash flows	(31,193)	-	-	(31,193)
Total cash flows	61,154	-	(57,971)	3,183
Net takaful contract liabilities as at 31 December 2025	269,670	63,137	5,371	338,178

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for takaful contracts issued showing the liability for remaining coverage and the liability for incurred claims (continued)

Analysis by measurement component – Contracts not measured under the PAA

	Estimates of present value of future cash flows AED'000	Risk adjustment for non- financial risk AED'000	CSM Contractual Service Margin AED'000	Total AED'000
31 March 2026 (Unaudited)				
Takaful contract liabilities as at 1 January 2026 (Audited)	321,577	1,128	15,473	338,178
Changes that relate to current services				
CSM recognised for services provided	-	-	(326)	(326)
Change in risk adjustment for non-financial risk for risk expired	-	(32)	-	(32)
Experience adjustments	(2,359)	11	-	(2,348)
Changes that relate to future services				
Contracts initially recognised in the year	(2,787)	37	2,760	10
Changes in estimates that adjust the CSM	4,280	(23)	(4,257)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	5,276	13	-	5,289
Changes that relate to past services				
Adjustments to liabilities for incurred claims	(67)	(11)	-	(78)
Takaful service result	4,343	(5)	(1,823)	2,515
Net finance expenses from takaful contracts	(7,686)	-	40	(7,646)
Total changes in the statement of profit or loss and OCI	(3,343)	(5)	(1,783)	(5,131)
Cash flows				
Contributions received	14,573	-	-	14,573
Claims and other directly attributable expenses paid	(7,281)	-	-	(7,281)
Takaful acquisition cash flows paid	(4,881)	-	-	(4,881)
Total cash flows	2,411	-	-	2,411
Takaful contract liabilities as at 31 March 2026	320,645	1,123	13,690	335,458

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for takaful contracts issued showing the liability for remaining coverage and the liability for incurred claims (continued)

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

	Estimates of present value of future cash flows AED'000	Risk adjustment for non-financial risk AED'000	CSM	
			Contractual service margin AED'000	Total AED'000
31 December 2025 (Audited)				
Net takaful contract liabilities as at 1 January 2025	290,570	10,545	14,596	315,711
Changes that relate to current services				
CSM recognised for services provided	-	-	(1,631)	(1,631)
Change in risk adjustment for non- financial risk for risk expired	-	(9,350)	-	(9,350)
Experience adjustments	(4,780)	88	-	(4,692)
Changes that relate to future services				
Contracts initially recognised in the year	(10,718)	200	10,545	27
Changes in estimates that adjust the CSM	8,255	(75)	(8,180)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	12,797	(15)	-	12,782
Adjustments to liabilities for incurred claims	344	(265)	-	79
Takaful service result	5,898	(9,417)	734	(2,785)
Net finance expenses from takaful contracts	21,926	-	143	22,069
Total changes in the statement of profit or loss	27,824	(9,417)	877	19,284
Cash flows				
Contributions received	92,347	-	-	92,347
Claims and other directly attributable expenses paid	(57,971)	-	-	(57,971)
Takaful acquisition cash flows paid	(31,193)	-	-	(31,193)
Total cash flows	3,183	-	-	3,183
Net takaful contract liabilities as at 31 December 2025	321,577	1,128	15,473	338,178

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for retakaful contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims

Contracts measured under the PAA

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment AED'000	Total AED'000
31 March 2026 (Unaudited)					
Retakaful contract assets as at 1 January 2026 (Audited)	(242,226)	-	471,793	9,033	238,600
Retakaful contract liabilities as at 1 January 2026 (Audited)	(203,400)	-	120,842	2,589	(79,969)
Net retakaful contract (liabilities)/assets	(445,626)	-	592,635	11,622	158,631
An allocation of retakaful contributions	(84,176)	-	-	-	(84,176)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	34,035	92	34,127
Expenses directly attributable to reinsurance	-	-	(414)	-	(414)
Changes to amounts recoverable for incurred claims and other expenses	-	-	11,498	-	11,498
Net income or expense from retakaful contracts held	(84,176)	-	45,119	92	(38,965)
Retakaful finance income	-	-	4,043	-	4,043
Total changes in the statement of comprehensive income	(84,176)	-	49,162	92	(34,922)
Cash flows					
Retakaful contribution and expenses paid	31,518	-	-	-	31,518
Directly attributable expenses paid	-	-	415	-	415
Amounts received	-	-	(3,227)	-	(3,227)
Total cash flows	31,518	-	(2,812)	-	28,706
Net retakaful contract (liabilities)/assets as at 31 March 2026					
Retakaful contract assets as at 31 March 2026	(233,199)	-	472,690	8,211	247,702
Retakaful contract liabilities as at 31 March 2026	(265,085)	-	166,295	3,503	(95,287)
Net retakaful contract (liabilities)/asset as at 31 March 2026	(498,284)	-	638,985	11,714	152,415

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for retakaful contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)

Contracts measured under the PAA (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component AED'000	Loss recovery component AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment AED'000	Total AED'000
31 December 2025 (audited)					
Retakaful contract assets as at 1 January 2025	(422,533)	-	703,278	12,433	293,178
Less: Retakaful contract liabilities as at 1 January 2025	(202,644)	-	147,859	2,952	(51,833)
Net retakaful contract (liabilities)/assets	(625,177)	-	851,137	15,385	241,345
An allocation of retakaful contributions	(368,161)	-	-	-	(368,161)
Amounts recoverable from reinsurers for incurred claims					
Amounts recoverable for incurred claims and other expenses	-	-	223,280	3,299	226,579
Changes in fulfilment cash flows that do not adjust underlying CSM	-	-	-	-	-
Expenses directly attributable to retakaful	-	-	(2,336)	-	(2,336)
Changes to amounts recoverable for incurred claims and other expenses	-	-	(70,405)	(7,062)	(77,467)
Net income or expense from retakaful contracts held	(368,161)	-	150,539	(3,763)	(221,385)
Retakaful finance income	-	-	14,571	-	14,571
Total changes in the statement of comprehensive income	(368,161)	-	165,110	(3,763)	(206,814)
Cash flows					
Retakaful Contributions and expenses paid	547,712	-	-	-	547,712
Directly attributable expenses paid	-	-	2,335	-	2,335
Amounts received	-	-	(425,947)	-	(425,947)
Total cash flows	547,712	-	(423,612)	-	124,100
Net retakaful contract (liabilities)/assets as at 31 December 2025					
Retakaful contract assets as at 31 December 2025	(242,226)	-	471,793	9,033	238,600
Less: Retakaful contract liabilities as at 31 December 2025	(203,400)	-	120,842	2,589	(79,969)
Net retakaful contract (liabilities)/asset as at 31 December 2025	(445,626)	-	592,635	11,622	158,631

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for retakaful contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)

Contracts not measured under the PAA

	Assets for remaining coverage		Amounts recoverable on incurred claims	Total AED'000
	Excluding loss recovery component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	
31 March 2026 (Unaudited)				
Retakaful contract assets/(liabilities) as at 1 January 2026 (Audited)	(11,301)	16,563	3,494	8,756
Net retakaful contract assets/(liabilities)	(11,301)	16,563	3,494	8,756
An allocation of retakaful contributions	(602)	-	-	(602)
Amounts recoverable from reinsurers for incurred claims				
Amounts recoverable for incurred claims and other expenses	-	-	(3)	(3)
Changes in fulfilment cash flows that do not adjust underlying CSM	-	1,680	-	1,680
Expenses directly attributable to retakaful	-	-	(139)	(139)
Changes that relate to past services	-	-	(28)	(28)
Net income or expense from retakaful contracts held	(602)	1,680	(170)	908
Retakaful finance (expense) / income	112	-	10	122
Investment components and premium refunds	-	-	-	-
Total changes in the statement of comprehensive income	(490)	1,680	(160)	1,030
Cash flows				
Contributions paid	808	-	-	808
Directly attributable expenses paid	-	-	138	138
Amounts received	-	-	(5)	(5)
Total cash flows	808	0	133	941
Net retakaful contract assets/(liabilities) as at 31 March 2026	(10,983)	18,243	3,467	10,727

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for retakaful contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)

Contracts not measured under the PAA (continued)

	Assets for remaining coverage		Amounts recoverable on incurred claims	Total AED'000
	Excluding loss recovery component AED'000	Loss recovery component AED'000	Estimates of the present value of future cash flows AED'000	
31 December 2025 (Audited)				
Net retakaful contract (liabilities) / assets as at 1 January 2025	(10,521)	13,849	1,750	5,078
An allocation of retakaful contributions	(5,175)	-	-	(5,175)
Amounts recoverable from reinsurers for incurred claims				
Amounts recoverable for incurred claims and other expenses	-	-	(14)	(14)
Changes in fulfilment cash flows that do not adjust underlying CSM	-	2,714	-	2,714
Expenses directly attributable to retakaful	-	-	(802)	(802)
Changes that relate to past service	-	-	2,058	2,058
Net income or expense from retakaful contracts held	(5,175)	2,714	1,242	(1,219)
Retakaful finance income	(48)	-	9	(39)
Investment components	(29)	-	29	-
Total changes in the statement of comprehensive income	(5,252)	2,714	1,280	(1,258)
<i>Cash flows</i>				
Retakaful contribution and expenses paid	4,472	-	-	4,472
Directly attributable expenses paid	-	-	802	802
Amounts received	-	-	(338)	(338)
Total cash flows	4,472	-	464	4,936
Net retakaful contract (liabilities) / assets as at 31 December 2025	(11,301)	16,563	3,494	8,756
Net retakaful contract (liabilities) / assets as at 31 December 2025	(11,301)	16,563	3,494	8,756

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for retakaful contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)

Analysis by measurement component – Contracts not measured under the PAA

	Estimates of present value of future cash flows AED'000	Risk adjustment for non-financial risk AED'000	CSM Contractual service margin AED'000	Total AED'000
31 March 2026 (Unaudited)				
Net Retakaful contract (liabilities)/assets as at 1 January 2026 (Audited)	(982)	498	9,240	8,756
Changes that relate to current services				
CSM retakaful for services provided	-	-	105	105
Change in risk adjustment for non- financial risk for risk expired	-	(12)	-	(12)
Experience adjustments	(834)	(3)	-	(837)
Changes that relate to future services				
Contracts initially recognised in the year	(58)	-	58	-
Changes in estimates that adjust the CSM	87	(13)	(74)	-
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts	-	-	1,680	1,680
Changes that relate to past service	(31)	2	-	(29)
Net expenses from retakaful contracts	(836)	(26)	1,769	907
Net finance (expense)/income from retakaful contracts	61	-	62	123
Total changes in the statement of comprehensive income	(775)	(26)	1,831	1,030
Cash flows				
Contributions received	807	-	-	807
Claims and other directly attributable expenses paid	139	-	-	139
Recoveries from Retakaful	(5)	-	-	(5)
Total cash flows	941	-	-	941
Net retakaful contract (liabilities)/assets as at 31 March 2026	(816)	472	11,071	10,727

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for retakaful contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)

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

	Estimates of present value of future cash flows AED'000	Risk adjustment for non-financial risk AED'000	CSM Contractual service margin AED'000	Total AED'000
31 December 2025 (audited)				
Net retakaful contract (liabilities) / assets as at 1 January 2025	(4,364)	4,592	4,850	5,078
Changes that relate to current services				
CSM recognised for services provided	-	-	1,445	1,445
Change in risk adjustment for non-financial risk for risk expired	-	(3,971)	-	(3,971)
Experience adjustments	(3,452)	(14)	-	(3,466)
Changes that relate to future services				
Contracts initially recognised in the period	(333)	19	315	1
Changes in estimates that adjust the CSM	305	(29)	(276)	-
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts	-	-	2,714	2,714
Changes that relate to past service - adjustments to LFIC	2,157	(99)	-	2,058
Net expenses from retakaful contracts	(1,323)	(4,094)	4,198	(1,219)
Net finance income from retakaful contracts	(231)	-	192	(39)
Total changes in the statement of comprehensive income	(1,554)	(4,094)	4,390	(1,258)
<i>Cash flows</i>				
Contributions received	4,472	-	-	4,472
Claims and other directly attributable expenses paid	802	-	-	802
Recoveries from retakaful	(338)	-	-	(338)
Total cash flows	4,936	-	-	4,936
Net retakaful contract (liabilities) / assets as at 31 December 2025	(982)	498	9,240	8,756

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

7 Takaful and retakaful contracts (continued)

Reconciliation of the measurement components of takaful and retakaful contract balances measured under both PAA and Non-PAA as at:

31 March 2026 (Unaudited)	PAA	Non-PAA	Total
	AED'000	AED'000	AED'000
Takaful contract liabilities	590,166	335,458	925,624
Less: Takaful contract assets	-	-	-
Less: Retakaful contract assets	(247,702)	(10,727)	(258,429)
Retakaful contract liabilities	95,287	-	95,287
Net contract liabilities	437,751	324,731	762,482
31 December 2025 (Audited)	PAA	Non-PAA	Total
	AED'000	AED'000	AED'000
Takaful contract liabilities	550,646	338,178	888,824
Less: Takaful contract assets	-	-	-
Less: Retakaful contract assets	(238,600)	(8,756)	(247,356)
Retakaful contract liabilities	79,969	-	79,969
Net contract liabilities	392,015	329,422	721,437

8 Trade and other receivables

	(Unaudited)	(Audited)
	31 March	31 December
	2026	2025
	AED'000	AED'000
Trade receivables	-	36,880
Other receivables	36,303	36,911
	36,303	73,791
Less: Expected credit losses	-	(25,956)
	36,303	47,835

9 Cash and bank balances

	(Unaudited)	(Audited)	(Unaudited)
	31 March	31 December	31 March
	2026	2025	2025
	AED'000	AED'000	AED'000
Cash and bank balances	152,324	99,811	100,035
Wakala deposits	269,441	322,337	305,956
	421,765	422,148	405,991
Less: Restricted deposit	(10,000)	(10,000)	(10,000)
Less: Deposits under lien	(24,828)	(21,781)	(7,473)
Less: Deposits pledged against Murabaha facility	(100,400)	(100,400)	(100,000)
Less: Deposits with original maturities of more than three months	(124,808)	(161,856)	(195,456)
Cash and cash equivalents for the purpose of the statement of cash flows	161,729	128,111	93,062

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

9 Cash and bank balances (continued)

Wakala deposits

The wakala deposits yield a profit rate of 3.2% to 4.65% per annum (31 December 2025: 3.2% p.a. to 5.2% % per annum). Deposits amounting to AED 100 million (2025: AED 100 million) are pledged for a Murabaha facility taken by the Group.

10 Share capital

	(Unaudited)	(Audited)
	31 March	31 December
	2026	2025
	AED'000	AED'000
Issued and fully paid:		
260,156,250 ordinary shares of AED 1 each		
(31 December 2025: 260,156,250 ordinary shares)	<u>260,156</u>	<u>260,156</u>

11 Reserves

Statutory reserve

In accordance with U.A.E. Law No. (32) of 2021, as amended, the Group has established a statutory reserve by appropriation of 10% of profit for each year until the reserve equals 50% of the paid-up share capital. This reserve is not available for distribution except as stipulated by the Law. No transfer to the statutory reserve has been made during the three-months period ended 31 March 2026 (31 March 2025: Nil), as this will be based on the annual results for the year-end.

Restricted reserve

This reserve pertains to the subsidiaries which are takaful entities, and in accordance with article 34 of Central Bank of UAE' Board of Directors Decision No. 23 of 2019, concerning instructions organising Retakaful operations, the reserve is not available for distribution and will not be disposed of without prior approval from Central Bank of UAE. No transfer to the restricted reserve has been made during the three-month period ended 31 March 2026 (three-month period ended 31 March 2025: Nil), as this will be based on the annual results for the year-end.

Treasury shares

The Group engaged a third-party licensed Market Maker on the Dubai Financial Market that offers liquidity provision services, to place buy and sell orders of the Company's shares with the objective of reducing bid/ask spreads as well as reducing price and volume volatility. At 31 March 2026, the Market Maker held AED 8,404,244 (December 31, 2025: AED 9,985,672) of Watania International Holding PJSC's shares on behalf of the Company, which are classified under equity as treasury shares at par value of AED 1 at 31 March 2026. During the period, the Company recorded Treasury Shares reserves of AED 2.6 million (December 31, 2025: AED 3.1 million) to reflect the discount on the acquisition of treasury shares.

At the end of the contract term with the Market Maker, the Company will have the option to either transfer the outstanding shares under its name or dispose of the shares in the market.

12 Trade and other payables

	(Unaudited)	(Audited)
	31 March	31 December
	2026	2025
	AED'000	AED'000
Trade payables	2,115	10,283
Other payables	32,450	38,454
	<u>34,565</u>	<u>48,737</u>

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

13 Borrowings

The Group obtained a Murabaha facility of AED 100 million with ENBD group (34.7 million on 30th January 2025 and 65.3 million on 10th Feb 2025) held at amortised cost. The facility was arranged to settle the previous facility balloon payment of 34.7M due in 2025 and intercompany balances of Watania Takaful General PJSC “WTG” and Watania Takaful Family PJSC “WTF”.

Total facility of AED 100 million carrying flexible profit rate of 3 months EIBOR plus 1.75% per annum having a maturity period of 4 years with one year moratorium.

Other Murabaha arrangements are as follows:

Pledged collateral

- Pledge over Wakala deposits valued up to AED 100 million;
- Pledge over the shares of target entities i.e. WTF and WTG;
- A profit service reserve account will be maintained by the Company with bank that holds 6 months of profit service for outstanding facility amount at all the times;
- All proceeds from the operating target entities shall be deposited into a dividend account that the Company maintains with the bank; and
- Pledge over profit service reserve account and dividend account maintained with the bank.

Financial covenants

- A minimum capital requirement of AED 200 million.
- A minimum solvency coverage ratio of 100%.
- A minimum special purpose Liquid Assets Cover (cash plus marketable securities) of 100%; and
- Compliance with minimum guaranteed fund and net admissible assets requirements.

	(Unaudited) 31 March 2026 AED'000	(Audited) 31 December 2025 AED'000
Balance at the beginning of the period/year	100,000	48,875
New murabaha facility	-	100,000
Repayment made during the period/year	-	(48,875)
Balance at the end of the period/year	<u>100,000</u>	<u>100,000</u>

14 Takaful revenue

31 March 2026 (Unaudited)	General and motor AED'000	Medical AED'000	Group life AED'000	Individual life AED'000	Total AED'000
Contracts not measured under the PAA	-	-	-	3,059	3,059
Contracts measured under the PAA	63,838	104,860	31,050	-	199,748
	<u>63,838</u>	<u>104,860</u>	<u>31,050</u>	<u>3,059</u>	<u>202,807</u>

31 March 2025 (Unaudited)

Contracts not measured under the PAA	-	-	-	3,342	3,342
Contracts measured under the PAA	67,781	84,765	28,407	-	180,953
	<u>67,781</u>	<u>84,765</u>	<u>28,407</u>	<u>3,342</u>	<u>184,295</u>

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

15 Takaful service expenses

31 March 2026 (Unaudited)	General and motor AED'000	Medical AED'000	Group life AED'000	Individual life AED'000	Total AED'000
Takaful service expense	39,216	100,744	19,421	5,574	164,955
Allocation of retakaful premiums	25,595	33,530	25,051	602	84,778
Amounts recoverable from retakaful for incurred claims	600	(31,556)	(14,255)	(1,510)	(46,721)
Takaful finance (income)/expenses for takaful contracts issued	1,376	505	401	(7,646)	(5,364)
Retakaful finance income for retakaful contracts held	(1,792)	(1,549)	(702)	(122)	(4,165)
Net loss on investments at FVTPL (<i>unit linked</i>)	-	-	-	7,775	7,775
	64,995	101,674	29,916	4,673	201,258

31 March 2025 (Unaudited)	General and motor AED'000	Medical AED'000	Group life AED'000	Individual life AED'000	Total AED'000
Takaful service expense	36,608	81,783	4,494	5,093	127,978
Allocation of retakaful premiums	21,174	31,761	21,047	312	74,294
Amounts recoverable from retakaful for incurred claims	13,496	(27,108)	(424)	(625)	(14,661)
Takaful finance (income)/expenses for takaful contracts issued	2,720	702	590	(8,095)	(4,083)
Retakaful finance income for retakaful contracts held	(3,569)	(3,673)	(1,269)	29	(8,482)
Net loss on investments at FVTPL (<i>unit linked</i>)	-	-	-	8,367	8,367
	70,429	83,465	24,438	5,081	183,413

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

16 Income Tax

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance (“MoF”) released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax (“CT”) to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

The tables below show the details of the provision for current and deferred income tax credit / (expense):

	31 March 2026 (Unaudited) AED’000	31 March 2025 (Unaudited) AED’000
Condensed interim consolidated statement of comprehensive income		
Current tax	(274)	-
Deferred tax	856	107
	582	107

Movement in current and deferred tax liabilities:

	(Unaudited) 3-month period ended 31 March 2026 AED’000	(Audited) Year ended 31 December 2025 AED’000
<i>Current tax liabilities</i>		
Balance at the beginning of the period/year	2,420	23
Current tax expenses	274	2,479
Tax paid during the year	-	(82)
Balance at the end of the period/year	2,694	2,420
<i>Deferred tax liabilities</i>		
Balance at the beginning of the period/year	5,060	4,496
Release of deferred tax liability on intangibles	(74)	(400)
Changes in fair value of investments	(782)	635
Changes in fair value of investment properties	-	329
Balance at the end of the period/year	4,204	5,060

Pillar Two – Global Minimum Tax

Recently, in order to align with OECD’s Global Minimum Tax effort (Pillar Two), the UAE Ministry of Finance (MoF) has introduced a Domestic Minimum Top-Up Tax of 15% for Multinational Enterprises (MNEs) with effect from financial years starting on or after 1st January 2025.

The management has assessed and concluded that the Group does not fall within the scope of UAE DMTT rules for the period ended 31 March 2026 and the year ended 31 December 2025, as the Group did not meet the consolidated annual revenue threshold of €750 million or more. Management will continue to assess the potential applicability of Pillar Two rules on an ongoing basis in accordance with the relevant legislation.

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

17 Loss per share

(Loss)/ earnings per share are calculated by dividing the net (loss)/ profit for the period by the weighted average number of ordinary shares outstanding during the period as follows:

	(Unaudited) Three-month period ended 31 March 2026	(Unaudited) Three-month period ended 31 March 2025
Loss for the period attributable to shareholders (in AED'000)	(4,975)	(2,048)
Number of ordinary shares outstanding (shares)	260,156,250	260,156,250
Basic and diluted loss per share (in AED)	<u>(0.019)</u>	<u>(0.008)</u>

Diluted (loss) / earnings per share as of 31 March 2026 and 31 March 2025 are equivalent to basic (loss)/earnings per share.

18 Related party transactions

Related parties comprise companies and entities under common ownership and/or common management and control with the Company, their partners and key management personnel.

Related parties also include the major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties.

Transactions with related parties

Certain costs such as personnel costs, rent and utilities, advertising, legal and professional expenses, depreciation and other shared costs are incurred by Watania Takaful General (PJSC) (WTG), Watania Takaful Family (PJSC) (WTF) and Watania International Holding (PJSC) (WIH), which are shared on a mutually agreed basis. The shared service costs are allocated based on approved allocation for the period, with different rates applied to certain expense categories.

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

	(Unaudited) Three-month period ended 31 March 2026 AED'000	(Unaudited) Three-month period ended 31 March 2025 AED'000
Takaful revenue	5,669	7,142
Expenses recharged to related parties	5,459	4,126

Compensation of key management personnel

	(Unaudited) Three-month period ended 31 March 2026 AED'000	(Unaudited) Three-month period ended 31 March 2025 AED'000
Short-term benefits	1,291	1,899
Employees' end of service benefits	196	231
	<u>1,487</u>	<u>2,130</u>

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

19 Commitments and guarantees

Commitments

The Group has capital commitments amounting to AED 1.2 million as at 31 March 2026 (31 December 2025: AED 0.14 million).

Guarantees

As at 31 March 2026, the Group has outstanding bank guarantees amounting AED 247,000 (31 December 2025: AED 247,000).

Legal claims

The Group is subject to litigation in the normal course of its business. Based on independent legal advice, except for the provisions already made as at 31 March 2026 the management does not believe that the outcome of these court cases will have a material impact on the Group's consolidated performance or consolidated statement of financial position.

20 Segment information

For management purposes the Group is organised into two business segments, takaful and investments. The takaful segment comprises of the takaful business undertaken by the subsidiaries of the Group on behalf of the policyholders. Investments comprise investment and cash management for the Group's own account. No operating segments have been aggregated to form the above reportable operating segments.

Segment performance is evaluated based on profit or loss which in certain respects is measured differently from profit or loss in the financial information.

Segment income, expenses and results will include those transfers between business segments which will then be eliminated on consolidation as shown on the next page.

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

20 Segment information (continued)

Three-month period ended 31 March 2026 (Unaudited)

	Takaful		Investments		Total AED'000
	General takaful AED'000	Group family (employee benefits) AED'000	Family Takaful AED'000	AED'000	
Takaful revenue	168,698	31,050	3,059	-	202,807
Takaful service expenses	(139,960)	(19,421)	(5,574)	-	(164,955)
Takaful service result before retakaful contracts held	28,738	11,629	(2,515)	-	37,852
Allocation of retakaful contributions	(59,125)	(25,051)	(602)	-	(84,778)
Amounts recoverable from retakaful for incurred claims	30,956	14,255	1,510	-	46,721
Net expenses from retakaful contracts held	(28,169)	(10,796)	908	-	(38,057)
Takaful service result	569	833	(1,607)	-	(205)
Takaful finance income for takaful contracts issued	(1,881)	(401)	7,646	-	5,364
Retakaful finance income for retakaful contracts held	3,341	702	122	-	4,165
Takaful financial result	1,460	301	7,768	-	9,529
Net takaful Profit	2,029	1,134	6,161	-	9,324
Net fair value change in financial assets at FVTPL-Unit linked	-	-	(7,775)	-	(7,775)
Investment loss	(1,217)	(209)	-	(113)	(1,539)
Total investment and other loss	(1,217)	(209)	(7,775)	(113)	(9,314)
Net operating income/(losses)	812	925	(1,614)	(113)	10

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

20 Segment information (continued)

Three-month period ended 31 March 2026 (Unaudited)

	Takaful		Investments		Total AED'000
	General takaful AED'000	Group family (employee benefits) AED'000	Family Takaful AED'000	AED'000	
General and administrative expenses	-	-	-	(3,578)	(3,578)
Amortisation of intangibles	-	-	-	(817)	(817)
Finance cost	-	-	-	(1,140)	(1,140)
Other income	-	-	-	(32)	(32)
Profit/ (loss) for the period before tax	812	925	(1,614)	(5,680)	(5,557)
Income tax credit	-	-	-	-	582
Profit/ (loss) for the period after tax	812	925	(1,614)	(5,680)	(4,975)

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

20 Segment information (continued)

Three-month period ended 31 March 2025 (Unaudited)

	Takaful			Investments	Total AED'000
	General takaful AED'000	Group family (employee benefits) AED'000	Family Takaful AED'000	AED'000	
Takaful revenue	152,546	28,407	3,342	-	184,295
Takaful service expenses	(118,391)	(4,494)	(5,093)	-	(127,978)
Takaful service result before retakaful contracts held	34,155	23,913	(1,751)	-	56,317
Allocation of retakaful contributions	(52,935)	(21,047)	(312)	-	(74,294)
Amounts recoverable from retakaful for incurred claims	13,612	424	625	-	14,661
Net expenses from retakaful contracts held	(39,323)	(20,623)	313	-	(59,633)
Takaful service result	(5,168)	3,290	(1,438)	-	(3,316)
Takaful finance expenses for takaful contracts issued	(3,422)	(590)	8,095	-	4,083
Retakaful finance Profit/(loss) for retakaful contracts held	7,242	1,269	(29)	-	8,482
Takaful financial result	3,820	679	8,066	-	12,565
Net takaful Profit/(loss)	(1,348)	3,969	6,628	-	9,249
Net fair value change in financial assets at FVTPL-Unit linked	-	-	(8,367)	-	(8,367)
Investment income	2,259	335	-	418	3,012
Total investment and other income	2,259	335	(8,367)	418	(5,355)
Net operating income/(losses)	911	4,304	(1,739)	418	3,894

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

20 Segment information (continued)

Three-month period ended 31 March 2025 (Unaudited)

	Takaful		Investments		Total AED'000
	General takaful AED'000	Group family (employee benefits) AED'000	Family Takaful AED'000	AED'000	
General and administrative expenses	-	-	-	(4,646)	(4,646)
Amortisation of intangibles	-	-	-	(745)	(745)
Finance cost	-	-	-	(908)	(908)
Other income	-	-	-	250	250
Profit/ (loss) for the period before tax	911	4,304	(1,739)	(5,631)	(2,155)
Income tax credit	-	-	-	-	107
Profit/ (loss) for the period after tax	911	4,304	(1,739)	(5,631)	(2,048)

The following tables demonstrate other information related to each business segments:

	Takaful AED'000	Investment AED'000	Total AED'000
31 March 2026 (Unaudited)			
Total assets	1,111,598	331,214	1,442,812
Total liabilities	1,055,476	129,241	1,184,717
31 December 2025 (Audited)			
Total assets	1,129,860	257,826	1,387,686
Total liabilities	1,030,176	129,973	1,160,149

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

21 Fair value measurements

Financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. This grouping is determined based on the lowest level of significant inputs used in fair value measurement, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets;
- Level 2 – 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); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input	Relationship of unobservable inputs to fair value
	(Unaudited) 31 March 2026 AED'000	(Audited) 31 December 2025 AED'000				
Investments at FVTOCI						
Unquoted debt securities	<u>1,000</u>	<u>1,000</u>	Level 3	Net assets valuation method	Net assets value	Higher the net assets value of the investees, higher the fair value.
Investments at FVTPL						
Quoted debt securities	189,158	99,314	Level 1	Quoted bid prices in an active market	N/A	N/A
Quoted equity securities	253,496	200,296	Level 1	Quoted bid prices in an active market	N/A	N/A
Mutual funds units	<u>351,227</u>	<u>363,399</u>	Level 2	Net assets valuation method	Net assets value	Higher the net assets value of the investees, higher the fair value.
	<u>604,723</u>	<u>563,695</u>				

22 Seasonality of results

No income of seasonal nature was recorded in the condensed interim statement of comprehensive income for the three-month period ended 31 March 2026 and 2025.

Watania International Holding (PJSC)
Condensed interim consolidated financial information (Unaudited)

Notes to the condensed interim consolidated financial information
For the period ended 31 March 2026 (continued)

23 Approval of the condensed interim consolidated financial information

The condensed interim consolidated financial information was approved and authorized for issue by the Board of Directors on 13 May 2026.