UNITED FIDELITY INSURANCE COMPANY (P.S.C.)

INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 June 2026 (UNAUDITED)

فيدلتي المتحدة
Fidelity United
INSURANCE

The Board of Directors' Report – Half Year ended June 30, 2026

On behalf of the Board, I am pleased to present the Directors' Report for the half year ended June 30, 2026.

During the first half of 2026, the Company delivered an improved financial performance compared with the corresponding period in 2025. Although the Company recorded a net loss for the period, the loss narrowed significantly year on year, reflecting continued progress towards sustainable profitability

Insurance revenue for the period increased by 33% to AED 365.1 million, compared with AED 273.9 million in the corresponding period of 2025. This reflects stronger top-line performance during the first half of the year.

Insurance service expenses amounted to AED 384.1 million, compared with AED 233.4 million in the prior-year period. However, this increase was materially offset by a significant improvement in reinsurance results. Net recoveries from reinsurance contracts held amounted to AED 4.5 million, compared with a net expense of AED 56.5 million in the first half of 2025. Consequently, the insurance service loss narrowed by 10% to AED 14.4 million, compared with AED 16.0 million in the corresponding period last year.

Net investment income was AED 8.5 million, compared with AED 10.7 million in the corresponding period of 2025, primarily reflecting the impact of geopolitical developments in the region.

Overall, the Company reported a net loss before tax of AED 7.5 million for the period, compared with a net loss before tax of AED 9.5 million in the first half of 2025, representing an improvement of 21%. After recognising an income tax benefit of AED 1.2 million, the net loss after tax was AED 6.4 million, compared with AED 8.9 million in the corresponding period last year—an improvement of 29%.

During the first half of 2026, the Company also received a capital injection of AED 30 million. This further strengthened its capital base and supports the execution of its strategic priorities.

The following are the key financial indicators to provide a clearer view:

Key Financial Parameters (in '000)	For the Half Year ended on 30th June		Variance
	2026	2025	
Insurance Revenue	365,116	273,877	33%
Insurance Service Expenses	(384,127)	(233,414)	(65%)
Insurance Service Result	(14,433)	(16,033)	19%
Investment Income	8,501	10,718	(21%)
Net Profit/(Loss) before Tax	(7,510)	(9,530)	21%
Income tax	1,154	608	90%
Net Profit/(Loss) after tax	(6,356)	(8,922)	29%

Looking Ahead

The Board is pleased with the improvement in the Company's half yearly results. The continued reduction in losses, together with the capital injection received during the period, provides a stronger foundation for the business. Management will remain focused on disciplined underwriting, prudent risk selection, optimized reinsurance arrangements, operational efficiency and selective growth in profitable segments. The Board remains confident that these measures will further strengthen the Company's financial position and support the creation of sustainable long-term value for shareholders and stakeholders.

Chairman of the Board
Dated: August 10th, 2026

EY
Shape the future with confidence

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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF UNITED FIDELITY INSURANCE COMPANY (P.S.C.)

Introduction

We have reviewed the accompanying interim condensed financial statements of United Fidelity Insurance Company (P.S.C.) (the "Company") as at 30 June 2026 which comprise the interim condensed statement of financial position as at 30 June 2026 and the related interim condensed statements of profit or loss, interim condensed statement of comprehensive income for the three-month and six-month periods then ended, and the interim condensed statement of changes in equity and cash flows for the six-month period then ended and other explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard IAS 34, Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of review

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

Conclusion

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

Emphasis of Matter – Solvency Deficit

We draw attention to note 20 to the interim condensed financial statements which states that the Company had a deficit of AED 105,549,929 against the solvency capital requirement of AED 140,296,697 required as at 30 June 2026. The Company's ability to comply with the solvency capital requirement depends on the effective implementation of its solvency recovery plan, including capital injection as stated in note 20.

Other Matters

The interim condensed financial statements of the Company for the six-month period ended 30 June 2025 were reviewed by another auditor whose report dated 14 August 2025 expressed an unmodified conclusion on those interim condensed financial statements. Also, the financial statements as of 31 December 2025, were audited by another auditor whose report dated 16 March 2026 expressed an unmodified opinion on those financial statements.

Ernst & Young Middle East (Abu Dhabi Branch)

Ashraf Abu-Sharkh
Registration No.: 690

10 August 2026

Abu Dhabi, United Arab Emirates

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026 (unaudited)

	Notes	*30 June 2026 AED (unaudited)*	*31 December 2025 AED (audited)*
ASSETS			
Property and equipment		**10,010,841**	7,776,752
Investment properties	4	**47,767,999**	47,767,999
Investments at fair value through profit or loss (FVTPL)	5	**102,240,427**	135,802,583
Investments at fair value through other comprehensive income (FVTOCI)	5	**142,871,757**	98,474,491
Reinsurance contract assets	6	**286,868,114**	259,603,086
Prepayments and accrued income		**8,259,901**	8,604,819
Statutory deposits	7	**10,000,000**	10,000,000
Deferred tax asset	14	**8,986,898**	7,833,008
Bank balances and cash	8	**155,880,837**	79,612,747
TOTAL ASSETS		**772,886,774**	655,475,485
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	**190,000,000**	160,000,000
Statutory reserve	10	**1,952,347**	1,952,347
General reserve		**447,524**	447,524
Reinsurance reserve		**7,179,574**	7,179,574
Cumulative change in fair value of FVTOCI investments		**26,010,144**	16,649,119
Accumulated losses		**(97,191,677)**	(84,139,015)
TOTAL EQUITY		**128,397,912**	102,089,549
LIABILITIES			
Employees' end of service benefits		**3,182,543**	3,019,709
Insurance contract liabilities	6	**566,304,227**	474,105,454
Reinsurance contract liabilities	6	**648,500**	1,936,088
Deferred tax liability	14	**3,207,251**	2,929,587
Bank borrowings	17	**42,200,000**	37,500,000
Lease liabilities		**3,624,870**	3,928,698
Accrued expenses and other payables		**25,321,471**	29,966,400
TOTAL LIABILITIES		**644,488,862**	553,385,936
TOTAL EQUITY AND LIABILITIES		**772,886,774**	655,475,485

These interim condensed financial statements were authorised for issue on 10 August 2026 by the Board of Directors and signed on its behalf by:

Chairman
Nawwaf Ghubash

Chief Executive Officer
Ahmed Nasef

The notes from 1 to 22 form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS

For six-month period ended 30 June 2026 (unaudited)

		Three-month period ended 30 June (unaudited)		*Six-month period ended 30 June (unaudited)*	
	Notes	***2026 AED***	*2025 AED*	***2026 AED***	*2025 AED*
Insurance revenue	16	**188,721,463**	139,867,469	**365,116,037**	273,876,644
Insurance service expenses	12	**(138,507,437)**	(93,193,923)	**(384,126,911)**	(233,413,989)
Insurance service result before reinsurance contracts held		**50,214,026**	46,673,546	**(19,010,874)**	40,462,655
Allocation of reinsurance premiums		**(67,374,883)**	(56,746,877)	**(122,604,230)**	(118,998,544)
Amounts recoverable from reinsurance for incurred claims		**7,632,888**	11,658,453	**127,182,410**	62,503,341
Net (expense) / recovery from reinsurance contracts held		**(59,741,995)**	(45,088,424)	**4,578,180**	(56,495,203)
Insurance service results		**(9,527,969)**	1,585,122	**(14,432,694)**	(16,032,548)
Net investment income	13	**4,768,151**	5,584,713	**8,501,195**	10,718,271
Finance expenses from insurance contracts issued	13	**(1,414,426)**	(5,527,231)	**(3,768,473)**	(10,506,798)
Finance income from reinsurance contracts held	13	**820,400**	4,084,741	**2,778,916**	8,103,975
Net insurance finance expenses		**(594,026)**	(1,442,490)	**(989,557)**	(2,402,823)
Insurance and investment results		**(5,353,844)**	5,727,345	**(6,921,056)**	(7,717,100)
Other operating expenses		**(326,615)**	(2,553,350)	**(589,208)**	(1,812,463)
(LOSS)/PROFIT BEFORE TAX		**(5,680,459)**	3,173,995	**(7,510,264)**	(9,529,563)
Income tax benefit/(expense)	14	576,488	(779,973)	1,153,890	607,560
(LOSS)/PROFIT FOR THE PERIOD		**(5,103,971)**	2,394,022	**(6,356,374)**	(8,922,003)
Basic and diluted loss per share	11	**(0.027)**	0.015	**(0.033)**	(0.056)

The notes from 1 to 22 form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For six-month period ended 30 June 2026 (unaudited)

		Three-month period ended 30 June (unaudited)		***Six-month period ended 30 June (unaudited)***	
	Notes	***2026 AED***	*2025 AED*	***2026 AED***	*2025 AED*
(Loss)/profit for the period		**(5,103,971)**	2,394,022	**(6,356,374)**	(8,922,003)
Other comprehensive income: *Items that will not be reclassified subsequently to profit or loss:*					
Net change in fair value of equity investments designated at FVTOCI – net of tax		**8,921,238**	7,342,166	**2,914,911**	6,659,775
Items that may be reclassified subsequently to profit or loss:					
Net change in fair value of debt instruments designated at FVTOCI – net of tax		**278,314**	-	**(250,174)**	-
Other comprehensive income for the period		**9,199,552**	7,342,166	**2,664,737**	6,659,775
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD		**4,095,581**	9,736,188	**(3,691,637)**	(2,262,228)

The notes from 1 to 22 form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

For six-month period ended 30 June 2026 (unaudited)

	Share capital AED	***Statutory reserve AED***	***General reserve AED***	***Reinsurance reserve AED***	***Cumulative change in fair value of FVTOCI investments AED***	***Accumulated losses AED***	***Total equity AED***
Balance at 1 January 2025 (audited)	160,000,000	1,375,495	447,524	6,140,985	14,819,856	(94,521,181)	88,262,679
Loss for the period	-	-	-	-	-	(8,922,003)	(8,922,003)
Other comprehensive income for the period	-	-	-	-	6,659,775	-	6,659,775
Total comprehensive loss for the period -	-	-	-	-	6,659,775	(8,922,003)	(2,262,228)
Transfer to accumulated losses on sale of equity instruments designated at FVTOCI	-	-	-	-	(5,622,147)	5,622,147	-
Balance at 30 June 2025 (unaudited)	160,000,000	1,375,495	447,524	6,140,985	15,857,484	(97,821,037)	86,000,451
Balance at 1 January 2026 (audited)	**160,000,000**	**1,952,347**	**447,524**	**7,179,574**	**16,649,119**	**(84,139,015)**	**102,089,549**
Increase in share capital (note 9)	**30,000,000**	**-**	**-**	**-**	**-**	**-**	**30,000,000**
Loss for the period	**-**	**-**	**-**	**-**	**-**	**(6,356,374)**	**(6,356,374)**
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**2,664,737**	**-**	**2,664,737**
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**2,664,737**	**(6,356,374)**	**(3,691,637)**
Transfer to accumulated losses on sale of equity instruments designated at FVTOCI	**-**	**-**	**-**	**-**	**6,696,288**	**(6,696,288)**	**-**
Balance at 30 June 2026 (unaudited)	**190,000,000**	**1,952,347**	**447,524**	**7,179,574**	**26,010,144**	**(97,191,677)**	**128,397,912**

The notes from 1 to 22 form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CASH FLOWS

For six-month period ended 30 June 2026 (unaudited)

	Notes	*Six-month period ended 30 June (unaudited)* 2026 AED	2025 AED
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		**(7,510,264)**	(9,529,563)
Adjustments for:			
Depreciation of property and equipment		**1,273,974**	1,466,312
Change in fair value for investments at FVTPL		**2,906,571**	19,879
Investment income	13	**(11,407,766)**	(10,738,150)
Provision for expected credit losses		**(2,200,149)**	3,788,623
Interest expense lease liability		**222,628**	182,460
Provision for employees' end of service indemnity		**747,041**	659,792
Finance cost		**684,634**	1,431,202
Operating cash flows before changes in working capital		**(15,283,331)**	(12,719,445)
Changes in working capital:			
Prepayments and other receivables		**2,733,644**	(413,069)
Reinsurance contract assets		**(27,265,028)**	84,796,153
Reinsurance contract liabilities and insurance contract liabilities		**90,911,185**	(90,530,338)
Accrued expenses and other payables		**(4,644,929)**	2,588,716
		46,451,541	(16,277,983)
Employees end of service indemnity paid		**(584,208)**	(706,807)
Finance cost paid		**(971,924)**	(598,547)
Net cash generated from / (used in) operating activities		**44,895,409**	(17,583,337)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		**(3,508,063)**	(1,009,201)
Proceeds from disposal of investments at FVTOCI		**11,286,492**	37,426,712
Interest received		**4,590,793**	3,133,654
Dividend received from investments at FVTOCI		**6,055,578**	6,502,302
Purchase of investments at FVTOCI		**(52,598,459)**	-
Proceeds from disposal of investments at FVTPL		**30,815,310**	14,152,096
Movement in fixed deposits with maturity more than 3 months		**21,103,521**	-
Income received from investment properties		**761,395**	1,102,194
Net cash generated from investing activities		**18,506,567**	61,307,757
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in share capital	9	**30,000,000**	-
Bank borrowing– net movement	17	**4,700,000**	20,000,000
Payment of lease liabilities		**(730,365)**	(1,865,129)
Net cash generated from financing activities		**33,969,635**	18,134,871
NET INCREASE IN CASH AND CASH EQUIVALENTS		**97,371,611**	61,859,291
Cash and cash equivalents at beginning of the period		**48,105,712**	18,971,602
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	8	**145,477,323**	80,830,893

1 LEGAL STATUS AND ACTIVITIES

United Fidelity Insurance Company (P.S.C.) (the "Company") is a public shareholding company registered in the Emirate of Ras Al Khaimah by Emiri decree No. 13/76 issued by the ruler of Ras Al Khaimah on 15 September 1976, which was amended by the Emiri decree No. 10/77 issued on 15 December 1977. Registered office of the Company is located at Office 407, Bloom Central Building, Airport Road, Al Manhal, Al Tibbiya, Abu Dhabi, United Arab Emirates. The Company's ordinary shares are listed on Abu Dhabi Securities Exchange, United Arab Emirates.

The principal activity of the Company is the writing of all classes of general and life insurance. The Company operates through its Head Office in Abu Dhabi and branch offices in Abu Dhabi, Ras Al Khaimah, Sharjah, Dubai and Fujairah.

The Company is subject to the regulations of the UAE Federal Law No. (32) of 2021, as amended. On 16 September 2025, Federal Decree-Law No. (6) of 2025 regarding the Central Bank, the Regulation of Financial Institutions and Activities, and Insurance Business was issued and came into effect. This new law repealed Federal Decree-Law No. 48 of 2023 concerning the Financial Regulations of Insurance Companies issued by the Central Bank of the United Arab Emirates. The Company must within a period not exceeding twelve months from the date of the enforcement of its provisions from 16 September 2025 comply with the provisions of the UAE Federal Decree Law No (6) of 2025. The Company is currently evaluating the impact of the CBUAE Law and will implement required changes within the transition period.

2 BASIS OF PREPARATION

This condensed interim financial information is for the six-month period ended 30 June 2026 and is presented in United Arab Emirate Dirham (AED), which is also the functional currency of the Company. These interim condensed financial statements 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.

These interim condensed financial statements have been prepared on the historical cost basis, except for financial assets carried at fair value through other comprehensive income ("FVTOCI"), financial assets carried at fair value through profit or loss ("FVTPL") and investment properties which are measured at fair value and the provision for employees' end of service indemnity which is measured in accordance with U.A.E labour laws.

The Company's interim condensed statement of financial position is not presented using a current / non-current classification. However, the following balances would generally be classified as current: bank balances and cash, prepayments and other receivables. The following balances would generally be classified as non-current: property and equipment, investment properties, statutory deposit and employees' end of service benefits. The following balances are of mixed nature (including both current and non-current portions): investments at fair value through profit and loss and other comprehensive income, reinsurance contract assets, insurance/reinsurance contract liabilities, lease liabilities, accrued expenses and other payables and fixed deposits.

These interim condensed financial statements do not include all the information required in annual financial statements in accordance with IFRSs and should be read in conjunction with the financial statements of the Company 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.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, critical accounting judgments and key source of estimation used in the preparation of these interim condensed financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2025, except for application of new standards effective as of 1 January 2026 and several amendments and interpretations apply for the first time in 2026 as mentioned below.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

New and revised IFRS adopted in the condensed interim financial information

The following relevant standards, interpretations and amendments to existing standards were issued by the IASB:

New and revised IFRSs	***Effective for annual periods beginning on or after***
IFRS 9 and IFRS 7— Amendment regarding the classification and measurement of financial instrument and contracts referencing nature.	1 January 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	1 January 2026

The application of these revised IFRS, did not have any material impact on the amounts reported for the current and prior periods.
The Company has not adopted any standard, interpretation or amendment that has been issued but not yet effective.

New and revised IFRS in issue but not yet effective and not early adopted

New and revised IFRS	***Effective for annual periods beginning on or after***
IFRS 18 — Presentation and Disclosure in Financial Statements	1 January 2027, earlier application is permitted
IFRS 19 — Subsidiaries without Public Accountability: Disclosures	1 January 2027, earlier application is permitted
Translation to a Hyperinflationary Presentation Currency. Amendments to IAS 21	1 January 2027

Management anticipates that these new standards, interpretations, and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statements of the Company in the period of initial application except IFRS 18.

4 INVESTMENT PROPERTIES

Investment properties comprise of two commercial buildings in Dubai, UAE and Ras Al Khaimah, UAE.

Management estimates that there has been no change in the fair value of investment properties. Investment properties are classified as level 3 in the fair value hierarchy as at 30 June 2026. (31 December 2025: Level 3).

5 FINANCIAL INVESTMENTS

5.1 Financial assets at fair value through profit or loss (FVTPL):

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*
Quoted bonds and mutual funds – inside UAE	**65,493,397**	97,254,381
Unquoted investments in real estate funds - outside UAE	**26,955,544**	28,686,127
Unquoted investments in real estate funds - inside UAE	**9,791,486**	9,862,075
Total	**102,240,427**	135,802,583

The gross movements in investments at FVTPL is as follows:

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*
Opening balance	**135,802,583**	154,527,065
Sold during the period/year	**(30,815,310)**	(15,076,546)
Changes in fair value during the period/year	**(2,746,846)**	(1,307,585)
Adjustment	**-**	(2,340,351)
Closing balance	**102,240,427**	135,802,583

5.2 Financial assets at fair value through other comprehensive income (FVTOCI):

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*
Quoted equity securities – inside UAE	**111,605,393**	98,131,307
Quoted bonds – inside UAE	**31,266,364**	-
Quoted equity securities – outside UAE	**-**	343,184
Total	**142,871,757**	98,474,491

The gross movements in investments at FVTOCI is as follows:

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*
Opening balance	**98,474,491**	126,972,140
Purchased during the period/year	**52,598,459**	-
Sold during the period/year	**(11,286,492)**	(38,171,969)
Changes in fair value during the period/year	**3,085,299**	9,674,320
Closing balance	**142,871,757**	98,474,491

6 INSURANCE AND REINSURANCE CONTRACTS

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

The roll-forward of the net asset or liability for insurance contracts issued, showing the liability for remaining coverage and the liability for incurred claims, is disclosed in the table below:

Contracts measured under the PAA

30 June 2026 – (unaudited)	*Liabilities for remaining coverage*		*Liabilities for incurred claims*		
	Excluding loss component AED	*Loss component AED*	*Estimates of the present value of future cash flows AED*	*Risk adjustment AED*	*Total AED*
Insurance contract liabilities at start of period (audited)	**179,718,582**	**18,460,387**	**266,426,407**	**9,500,078**	**474,105,454**
Insurance revenue	**(365,116,037)**	**-**	**-**	**-**	**(365,116,037)**
Insurance service expenses					
Incurred claims and other expenses	-	-	409,422,304	4,109,774	413,532,078
Changes to liabilities for incurred claims	-	-	(97,936,893)	(2,022,347)	(99,959,240)
Amortisation of insurance acquisition cash flows	78,475,043	-	-	-	78,475,043
Losses on onerous contracts and (reversal of those) losses	-	(7,920,970)	-	-	(7,920,970)
Insurance service results	**(286,640,994)**	**(7,920,970)**	**311,485,411**	**2,087,427**	**19,010,874**
Insurance finance expense	-	-	3,642,157	126,316	3,768,473
Total changes in the statement of profit or loss	**(286,640,994)**	**(7,920,970)**	**315,127,568**	**2,213,743**	**22,779,347**
Cash flows					
Premiums received	426,670,364	-	-	-	426,670,364
Claims and other expenses paid	-	-	(270,233,512)	-	(270,233,512)
Insurance acquisition cash flows	(87,017,426)	-	-	-	(87,017,426)
Total cash flows	**339,652,938**	**-**	**(270,233,512)**	**-**	**69,419,426**
Insurance contract liabilities at end of the period	**232,730,526**	**10,539,417**	**311,320,463**	**11,713,821**	**566,304,227**

6 INSURANCE AND REINSURANCE CONTRACTS (continued)

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

31 December 2025 – (audited)	*Liabilities for remaining coverage*		*Liabilities for incurred claims*		
	Excluding loss component Audited AED	*Loss component Audited AED*	*Estimates of the present value of future cash flows Audited AED*	*Risk adjustment Audited AED*	*Total Audited AED*
Insurance contract liabilities at start of the year	131,137,234	27,792,709	503,686,792	32,915,943	695,532,678
Insurance revenue	(562,669,709)	-	-	-	(562,669,709)
Insurance service expenses					
Incurred claims and other expenses	-	-	366,258,820	4,806,395	371,065,215
Amortisation of insurance acquisition cash flows	127,965,248	-	-	-	127,965,248
Losses on onerous contracts	-	(9,332,322)	-	-	(9,332,322)
Changes to liabilities for incurred claims	-	-	(11,852,812)	(29,164,191)	(41,017,003)
Insurance service results	(434,704,461)	(9,332,322)	354,406,008	(24,357,796)	(113,988,571)
Insurance finance expense	-	-	12,636,243	941,931	13,578,174
Total changes in the statement of profit or loss	(434,704,461)	(9,332,322)	367,042,251	(23,415,865)	(100,410,397)
Cash flows					
Premiums received	623,498,618	-	-	-	623,498,618
Claims and other expenses paid	-	-	(604,302,636)	-	(604,302,636)
Insurance acquisition paid	(140,212,809)	-	-	-	(140,212,809)
Total cash flows	483,285,809	-	(604,302,636)	-	(121,016,827)
Insurance contract liabilities at end of the year	179,718,582	18,460,387	266,426,407	9,500,078	474,105,454

6 INSURANCE AND REINSURANCE CONTRACTS (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)
The roll-forward of net asset or liability for reinsurance contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims, is disclosed in the table below:

30 June 2026 – (unaudited)	*Liabilities for remaining coverage*		*Liabilities for incurred claims*		
Contracts measured under the PAA	*Excluding loss recovery component AED*	*Loss component AED*	*Estimates of the present value of future cash flows AED*	*Risk adjustment AED*	*Total AED*
Reinsurance contract assets at start of the period	(28,844,505)	(9,377,040)	(213,505,029)	(7,876,512)	(259,603,086)
Reinsurance contract liabilities at start of the period	4,167,184	(68)	(2,138,559)	(92,469)	1,936,088
Net reinsurance contract assets	**(24,677,321)**	**(9,377,108)**	**(215,643,588)**	**(7,968,981)**	**(257,666,998)**
Allocation of reinsurance premiums	122,604,230	-	-	-	122,604,230
Amounts recoverable from reinsurers for incurred claims	-	-	(217,687,913)	(3,904,165)	(221,592,078)
Amortisation of insurance acquisition cash flows	(3,305,435)	-	-	-	(3,305,435)
Loss-recovery on onerous underlying contracts and adjustments	-	6,995,766	-	-	6,995,766
Changes to amounts recoverable for incurred claims	-	-	88,855,024	1,864,313	90,719,337
Net income or expense from reinsurance contracts held	**119,298,795**	**6,995,766**	**(128,832,889)**	**(2,039,852)**	**(4,578,180)**
Reinsurance finance income	-	-	(2,681,539)	(97,377)	(2,778,916)
Total changes in the statement of profit or loss	**119,298,795**	**6,995,766**	**(131,514,428)**	**(2,137,229)**	**(7,357,096)**
Cash flows					
Premiums paid	(123,100,110)	-	-	-	(123,100,110)
Amounts received	789,283	-	101,115,307	-	101,904,590
Total cash flows	**(122,310,827)**	**-**	**101,115,307**	**-**	**(21,195,520)**
Reinsurance contract assets at end of the period	(29,128,303)	(2,145,506)	(245,487,144)	(10,107,161)	(286,868,114)
Reinsurance contract liabilities at end of the period	1,438,950	(235,836)	(555,565)	951	648,500
Net reinsurance contract assets at the end of the period	**(27,689,353)**	**(2,381,342)**	**(246,042,709)**	**(10,106,210)**	**(286,219,614)**

6 INSURANCE AND REINSURANCE CONTRACTS (continued)

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

Contracts measured under the PAA

31 December 2025 – (audited)	*Liabilities for remaining coverage*		*Liabilities for incurred claims*		
	Excluding loss recovery component AED	*Loss component AED*	*Estimates of the present value of future cash flows AED*	*Risk adjustment AED*	*Total AED*
Reinsurance contract assets at start of the year	(61,007,941)	(12,050,545)	(350,915,967)	(26,888,267)	(450,862,720)
Reinsurance contract liabilities at start of the year	13,926,350	(140,617)	(9,979,686)	(915)	3,805,132
Net reinsurance contract assets	(47,081,591)	(12,191,162)	(360,895,653)	(26,889,182)	(447,057,588)
Allocation of reinsurance premiums	208,792,129	-	-	-	208,792,129
Amounts recoverable from reinsurers for incurred claims	-	-	(141,727,355)	(3,979,658)	(145,707,013)
Loss-recovery on onerous underlying contracts and adjustments	-	2,814,054	-	-	2,814,054
Changes to amounts recoverable for incurred claims	-	-	34,106,262	23,704,222	57,810,484
Amortisation of insurance acquisition cash flows	(4,061,428)	-	-	-	(4,061,428)
Net income or expense from reinsurance contracts held	204,730,701	2,814,054	(107,621,093)	19,724,564	119,648,226
Reinsurance finance income	-	-	(9,824,477)	(804,363)	(10,628,840)
Total changes in the statement of profit or loss	204,730,701	2,814,054	(117,445,570)	18,920,201	109,019,386
Cash flows					
Premiums paid	(184,015,133)	-	-	-	(184,015,133)
Amounts received	1,688,702	-	262,697,635	-	264,386,337
Total cash flows	(182,326,431)	-	262,697,635	-	80,371,204
Reinsurance contract assets at end of the year	(28,844,505)	(9,377,040)	(213,505,029)	(7,876,512)	(259,603,086)
Reinsurance contract liabilities at end of the year	4,167,184	(68)	(2,138,559)	(92,469)	1,936,088
Net reinsurance contract assets at end of the year	(24,677,321)	(9,377,108)	(215,643,588)	(7,968,981)	(257,666,998)

7 STATUTORY DEPOSITS

As at 30 June 2026, a deposit of AED 10,000,000 (31 December 2025: AED 10,000,000) has been placed with one of the Company's banks in accordance with UAE Federal Law No. 6 of 2025. This deposit has been pledged to the bank as security against a guarantee issued by the bank in favour of the Central Bank of the United Arab Emirates ("CBUAE") for the same amount. This deposit cannot be withdrawn without the prior approval of CBUAE and bears an interest rate of 3.6% per annum (2025: 4.7% per annum).

8 BANK BALANCES AND CASH

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*	*30 June 2025 AED (unaudited)*
Bank balances and cash with local banks in UAE	**155,880,837**	79,612,747	83,830,893
Less: bank deposits with original maturities over 3 months	**(10,403,514)**	(31,507,035)	(3,000,000)
Cash and cash equivalents	**145,477,323**	48,105,712	80,830,893

The interest rates on deposits with banks range between 3.30% to 4.20% per annum (31 December 2025: 3.6% to 4.2% per annum). All fixed deposits are held in local banks in the United Arab Emirates.

9 SHARE CAPITAL

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*
Issued and fully paid:		
190,000,000 ordinary shares of AED 1 each		
(2025: 160,000,000 ordinary shares of AED 1 each)	**190,000,000**	160,000,000

During the period, the Company raised capital amounting to AED 30 million through a right issue to its existing shareholders, issuing 30 million shares of AED 1 each. The right issue was approved in the General Assembly Meeting of the Company dated 13 October 2025 and the allotment of shares was finalised on 15 January 2026.

10 STATUTORY RESERVE

In accordance with the UAE Federal Decree Law No. (32) of 2021, as amended, the Company has established a statutory reserve by appropriation of 10% of the Company's net profit for each year which will be increased until the reserve equals 50% of the share capital. This reserve is not available for distribution, except as stipulated by the Law. No allocation to the statutory reserve has been made for the six-month period ended 30 June 2026, as this will be recorded at the year-end based on the Company's results for the year ending 31 December 2026.

11 BASIC AND DILUTED LOSS PER SHARE

	Three-month period ended 30 June (unaudited)		*Six-month period ended 30 June (unaudited)*	
	2026	*2025*	***2026***	*2025*
(Loss)/profit for the period - (AED)	**(5,103,971)**	2,394,022	**(6,356,374)**	(8,922,003)
Weighted average number of shares*	**190,000,000**	160,000,000	**187,513,812**	160,000,000
(Loss)/profit per share (AED)	**(0.03)**	0.015	**(0.033)**	(0.056)

*During the period, on 15 January 2026, the Company allotted 30 million ordinary shares. Accordingly, the weighted-average number of ordinary shares outstanding for the purpose of earnings per share calculation was 187.5 million.

Basic and diluted (loss)/profit per share are calculated by dividing the (loss)/profit for the period by the number of weighted average shares outstanding at the end of the reporting period. Diluted (loss)/profit per share is equivalent to basic (loss)/profit per share as the Company did not issue any new shares that would impact loss/(profit) per share when executed.

12 INSURANCE SERVICE EXPENSES

	Three-month period ended 30 June (unaudited)		*Six-month period ended 30 June (unaudited)*	
	2026 AED	*2025 AED*	***2026 AED***	*2025 AED*
Incurred claims and other expenses	**230,956,919**	122,061,465	**413,532,078**	210,723,629
Amortisation of insurance acquisition cash flows	**(127,866,194)**	31,430,055	**78,475,043**	61,150,638
Reversal of losses on onerous contracts	**(4,232,903)**	(11,562,079)	**(7,920,970)**	(12,266,639)
Changes to liabilities for incurred claims	**39,649,615**	(48,735,518)	**(99,959,240)**	(26,193,639)
Insurance service expenses	**138,507,437**	93,193,923	**384,126,911**	233,413,989

13 INVESTMENT INCOME AND INSURANCE FINANCE RESULTS

Investment income:

	Three-month period ended 30 June (unaudited)		*Six-month period ended 30 June (unaudited)*	
	2026 AED	*2025 AED*	***2026 AED***	*2025 AED*
Rental income from investment properties	**869,755**	831,292	**1,152,595**	1,597,895
Investment property expenses	**(177,461)**	(244,780)	**(391,200)**	(495,701)
Income from investment property – net	**692,294**	586,512	**761,395**	1,102,194
Dividend income	**1,067,305**	3,514,861	**6,055,578**	6,502,302
Fair value gain/(loss) on investments at FVTPL – net of expenses	**335,788**	(55,804)	**(2,906,571)**	(19,879)
Interest income from bonds	**1,863,007**	1,388,993	**3,296,699**	2,791,965
Interest income fixed deposits	**809,757**	150,151	**1,294,094**	341,689
Net investment income	**4,768,151**	5,584,713	**8,501,195**	10,718,271

13 INVESTMENT INCOME AND INSURANCE FINANCE RESULTS (continued)

Insurance finance expense and reinsurance finance income:

	Three-month period ended 30 June (unaudited)		***Six-month period ended 30 June (unaudited)***	
	2026 AED	*2025 AED*	***2026 AED***	*2025 AED*
Finance expenses from insurance contracts issued	**(1,414,426)**	(5,527,231)	**(3,768,473)**	(10,506,798)
Finance income from reinsurance contracts held	**820,400**	4,084,741	**2,778,916**	8,103,975
Net insurance finance expenses	**(594,026)**	(1,442,490)	**(989,557)**	(2,402,823)

14 INCOME TAX BENEFIT

The tables below show the details of the provision for current and deferred income tax benefit:

	Three-month period ended 30 June (unaudited)		***Six-month period ended 30 June (unaudited)***	
	2026 AED	*2025 AED*	***2026 AED***	*2025 AED*
Statement of profit or loss				
Deferred tax:				
Income tax credit / (expense)	**576,488**	(779,973)	**1,153,890**	607,560
Statement of other comprehensive income				
Deferred tax:				
Temporary differences originating from net change in fair value of investments designated at FVTOCI	**907,445**	710,871	**277,664**	732,366

During the current period, adjusted taxable losses amounted to AED 12.9 million and as a result the company has not provided for current taxes.

Deferred taxation
Following is the analysis of net deferred tax asset presented in the statement of financial position:

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*
Deferred tax asset	**8,986,898**	7,833,008
Deferred tax liability	**(3,207,251)**	(2,929,587)
Net deferred tax asset	**5,779,647**	4,903,421

Movement in net deferred tax asset:

At 1 January	**4,903,421**	5,353,916
Income tax credit on taxable losses	**1,153,890**	420,191
Tax impact due to fair value change in FVTOCI instruments	**(277,664)**	(870,686)
Closing balance	**5,779,647**	4,903,421

15 RELATED PARTY BALANCES AND TRANSACTIONS

Related parties represent major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. The pricing policies and terms of these transactions are approved by the Company's management.

At the end of the reporting period, significant balances due from / due to related parties are as follows:

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*
Affiliates of major shareholders:		
Insurance contract liabilities	**(3,516,512)**	(3,187,271)
Liability for incurred claims	**(736,732)**	(2,408,666)
Other receivables	**445,794**	578,081

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

	Three-month period ended 30 June (unaudited)		***Six-month period ended 30 June (unaudited)***	
	2026 AED	*2025 AED*	***2026 AED***	*2025 AED*
Affiliates of major shareholders:				
Insurance revenue	**3,135,151**	3,727,906	**5,242,661**	7,848,994
Insurance service expenses	**(3,322,770)**	(5,567,512)	**(5,295,806)**	(12,613,933)
Net payments to reinsurance brokers	**1,776,088**	(3,028,747)	**(2,422,346)**	(2,761,353)
Employees' benefits to key management personnel	**3,433,002**	2,191,971	**5,345,989**	4,468,734

16 SEGMENT INFORMATION

For management purposes, the Company is organised into three business segments commercial, consumer and employee benefits (Medical and Group Life). The commercial insurance segment comprises engineering, marine, property, liability and casualty and consumer segment comprises of motor, pet, travel and others. These segments are the basis on which the Company reports its primary segment information. Segment-wise information is disclosed below:

30 June 2026 (unaudited)	***Commercial AED***	***Consumer AED***	***Employee benefits AED***	***Total AED***
Insurance revenue	58,616,206	175,394,614	131,105,217	365,116,037
Insurance service expenses	(91,603,186)	(187,820,275)	(104,703,450)	(384,126,911)
Insurance service result before reinsurance contracts held	**(32,986,980)**	**(12,425,661)**	**26,401,767**	**(19,010,874)**
Allocation of reinsurance premiums	(37,255,863)	(14,563,541)	(70,784,826)	(122,604,230)
Amounts recoverable from reinsurance for incurred claims	66,119,294	10,265,445	50,797,671	127,182,410
Net recovery/(expenses) from reinsurance contracts held	**28,863,431**	**(4,298,096)**	**(19,987,155)**	**4,578,180**
Insurance service result	**(4,123,549)**	**(16,723,757)**	**6,414,612**	**(14,432,694)**
Investment income	1,441,181	4,105,382	2,954,632	8,501,195
Net insurance finance expenses	(278,502)	(603,465)	(107,590)	(989,557)
Net insurance and investment result	**(2,960,870)**	**(13,221,840)**	**9,261,654**	**(6,921,056)**
Other operating expenses	(94,592)	(283,044)	(211,572)	(589,208)
(Loss)/gain before tax	**(3,055,462)**	**(13,504,884)**	**9,050,082**	**(7,510,264)**

30 June 2025 (unaudited)	*Commercial AED*	*Consumer AED*	*Employee benefits AED*	*Total AED*
Insurance revenue	64,920,711	115,938,443	93,017,490	273,876,644
Insurance service expenses	(30,776,815)	(111,403,743)	(91,233,431)	(233,413,989)
Insurance service result before reinsurance contracts held	34,143,896	4,534,700	1,784,059	40,462,655
Allocation of reinsurance premiums	(52,885,189)	(10,513,790)	(55,599,565)	(118,998,544)
Amounts recoverable from reinsurance for incurred claims	9,101,324	8,372,630	45,029,387	62,503,341
Net expenses from reinsurance contracts held	(43,783,865)	(2,141,160)	(10,570,178)	(56,495,203)
Insurance service result	(9,639,969)	2,393,540	(8,786,119)	(16,032,548)
Investment income	2,540,698	4,537,297	3,640,276	10,718,271
Net insurance finance expenses	(429,231)	(925,018)	(1,048,574)	(2,402,823)
Net insurance and investment result	(7,528,502)	6,005,819	(6,194,417)	(7,717,100)
Other operating expenses	(429,634)	(767,258)	(615,571)	(1,812,463)
(Loss)/gain before tax	(7,958,136)	5,238,561	(6,809,988)	(9,529,563)

16 SEGMENT INFORMATION (continued)

The following is an analysis of the Company's assets and liabilities classified by segment:

	As at 30 June 2026 (unaudited)			
	Commercial AED	***Consumer AED***	***Employee benefits AED***	***Total AED***
Insurance contract liabilities	**(190,011,821)**	**(247,138,934)**	**(129,153,472)**	**(566,304,227)**
Reinsurance contract assets - net	**173,510,130**	**16,320,241**	**96,389,243**	**286,219,614**

	As at 31 December 2025 (audited)			
	Commercial AED	*Consumer AED*	*Employee benefits AED*	*Total AED*
Insurance contract liabilities	(159,683,808)	(212,072,557)	(102,349,089)	(474,105,454)
Reinsurance contract assets - net	130,314,297	51,420,051	75,932,650	257,666,998

17 BANK BORROWING

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*
Opening balance	**37,500,000**	20,000,000
Net movement during the period / year	**4,700,000**	17,500,000
Closing balance	**42,200,000**	37,500,000

The Company entered into a term loan facility with a Bank in the United Arab Emirates for an amount of AED 50,000,000, out of which AED 42,200,000 has been drawn as of 30 June 2026. The facility carries an effective interest rate of 3-month EIBOR + 0.65% and penal interest of 2% per annum (2025: 3-month EIBOR + 0.65% and penal interest of 2% per annum).

The bank borrowing is secured by assignment of custody/lien over the financial investments amounting to AED 71.4 million (2025: AED 71.4 million). The bank borrowing is utilised for Company's operational activities.

18 CONTINGENT LIABILITIES

	30 June 2026 AED (unaudited)	*31 December 2025 AED (audited)*
Letters of guarantee	**11,114,948**	11,114,948

Letters of guarantee includes AED 10 million (31 December 2025: AED 10 million) issued in favour of the CBUAE.

The Company in common with the significant majority of insurers, is subject to litigation in normal course of its business. The Company, based on independent legal advice, does not expect that the outcome of these court cases will have a material impact on the Company's financial performance or financial position.

19 FINANCIAL INSTRUMENTS

The fair values of financial assets are determined using similar valuation techniques and assumptions as used in the audited annual financial statements for the year ended 31 December 2025. 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.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those 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); and

Level 3 fair value measurements are those 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 gives information about how the fair values of these financial assets are determined:

Financial assets	***Fair value as at***		***Fair value hierarchy***	***Valuation techniques and key inputs***
	30 June 2026 (unaudited) AED	*31 December 2025 (audited) AED*		
Investments at FVTPL				
Quoted bonds and mutual funds	**65,493,397**	97,254,381	Level 1	Quoted bid prices in an active market
Unquoted investments in real estate funds	**36,747,030**	38,548,202	Level 3	Net assets valuation method
Investments at FVTOCI				
Quoted bonds and equity securities	**142,871,757**	98,474,491	Level 1	Quoted bid prices in an active market.

20 RISK MANAGEMENT

The Company’s insurance and financial risk management objectives and policies are consistent with those disclosed in the audited annual 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.

Ongoing geopolitical tensions in the Middle East have caused regional uncertainty. Given the evolving nature of the situation, management is currently unable to reliably quantify any potential financial impact, whether adverse or favourable. Accordingly, no adjustments have been made to the financial statements as at the reporting date. Management will continue to monitor developments and assess any potential implications for the Company’s operations, financial position, and performance.

20 RISK MANAGEMENT (continued)

20.1 CAPITAL RISK MANAGEMENT

The Company is subject to solvency regulations and identify the required Solvency Margin to be held in addition to insurance liabilities. The Solvency Margin must be maintained at all times throughout the period. The table below summarises the Minimum Capital Requirement, Minimum Guarantee Fund and Solvency Capital Requirement of the Company and the total capital held to meet these required Solvency Margins (preliminary position).

	30 June 2026 AED (unaudited)	*31 December 2025 AED (unaudited)*
Minimum Capital Requirement (MCR)	**100,000,000**	100,000,000
Solvency Capital Requirement (SCR)	**140,296,697**	120,771,349
Minimum Guarantee Fund (MGF)	**117,509,427**	94,305,250
Basic Own Funds	**34,746,768**	(5,796,688)
MCR Solvency Margin Deficit	**(65,253,232)**	(105,796,688)
SCR Solvency Margin Deficit	**(105,549,929)**	(126,568,037)
MGF Solvency Margin Deficit	**(82,762,659)**	(100,101,938)

As per Article (8) of Section 2 of the financial regulations issued for insurance companies in UAE, the Company shall at all times comply with the solvency requirements. As of 30 June 2026, the Company had a deficit of AED 105,549,929 against the solvency capital requirement of AED 140,296,697 and the Company's ability to comply with the solvency capital requirements depends on the effective implementation of the solvency recovery plan, including capital injection. The Company has submitted updated solvency recovery plan to the Central Bank of UAE.

21 SUBSEQUENT EVENTS

There have been no other events subsequent to the interim condensed statement of financial position date that would significantly affect the amounts reported in these interim condensed financial statement as at and for the six-month period ended 30 June 2026.

22 APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION

The condensed interim financial information was approved by the Board of Directors and authorised for issue on 10 August 2026.