

**Orient Insurance PJSC
and its subsidiaries**

**REVIEW REPORT AND INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

30 JUNE 2025 (UNAUDITED)

Orient Insurance PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ORIENT INSURANCE PJSC AND ITS SUBSIDIARIES

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Orient Insurance PJSC (the “Company”) and its subsidiaries (together referred to as the “Group”) as at 30 June 2025 which comprise the interim consolidated statement of financial position as at 30 June 2025 and the related interim consolidated statements of profit or loss and comprehensive income for the three month and six month periods then ended and interim consolidated statements 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 consolidated 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 consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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 condensed consolidated financial statements are not prepared, in all material respects in accordance with IAS 34, “Interim Financial Reporting”.

For Ernst & Young



Thodla Hari Gopal
Partner
Registration No: 689

06 August 2025

Dubai, United Arab Emirates



Orient Insurance PJSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025 (Unaudited)

	Notes	30 June 2025 AED '000' (Unaudited)	31 December 2024 AED '000' (Audited)
ASSETS			
Property and equipment		93,943	89,251
Intangible assets		8,419	4,996
Investments held at amortised cost	5	286,522	254,315
Investments carried at FVOCI	5	3,030,886	2,641,293
Investments carried at FVTPL	5	1,648,877	1,408,759
Insurance contract assets	13	220,592	159,223
Reinsurance contract assets	13	5,934,747	5,598,667
Other receivables and prepayments	7	217,771	99,696
Statutory deposits		156,530	150,585
Bank deposits	6	4,441,515	4,489,738
Cash and cash equivalents	6	853,900	766,376
Deferred tax asset	15	9,179	8,368
TOTAL ASSETS		16,902,881	15,671,267
EQUITY AND LIABILITIES			
EQUITY			
Share capital	8	500,000	500,000
Statutory reserve		125,000	125,000
Legal reserve		267,314	250,000
Exceptional loss reserve		388,258	388,258
General reserve		1,877,460	1,888,255
Fair value investments reserve		1,663,446	1,311,534
Foreign currency translation reserve		(327,076)	(323,633)
Retained earnings		963,660	894,893
Reinsurance risk reserve		122,272	103,831
Capital reserve		17,910	17,910
Equity attributable to equity holders of the group		5,598,244	5,156,048
Non-controlling interests		60,106	51,281
TOTAL EQUITY		5,658,350	5,207,329
LIABILITIES			
Retirement benefit obligation		43,648	39,442
Other payables		287,440	280,275
Investment contract liabilities	11	1,181,941	1,008,155
Income tax payable	15	101,442	59,786
Deferred tax liabilities	15	87,211	51,769
Total other liabilities		1,701,682	1,439,427
Insurance contract liabilities	13	8,564,938	8,263,762
Reinsurance contract liabilities	13	977,911	760,749
Total insurance/reinsurance contract liabilities		9,542,849	9,024,511
TOTAL LIABILITIES		11,244,531	10,463,938
TOTAL EQUITY AND LIABILITIES		16,902,881	15,671,267

The interim condensed consolidated financial statements were authorised for issue and approved by the Board of Directors on 6 August 2025 and signed on their behalf by:


President - Orient Group

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six-month period ended 30 June 2025 (Unaudited)

		<i>Three month period ended 30 June (Unaudited)</i>		<i>Six month period ended 30 June (Unaudited)</i>	
	<i>Notes</i>	<i>2025 AED '000</i>	<i>2024 AED '000</i>	<i>2025 AED '000</i>	<i>2024 AED '000</i>
Insurance revenue	14	2,318,313	1,809,756	4,469,782	3,599,332
Insurance service expenses	13	(1,397,488)	(3,314,261)	(2,644,389)	(4,509,720)
Net (expenses)/ income from reinsurance contracts held	13	(783,574)	1,578,157	(1,544,879)	1,102,178
INSURANCE SERVICE RESULTS		137,251	73,652	280,514	191,790
Fair value gain on unit-linked investments		141,087	(9,451)	72,757	37,146
Change in fair value of investment contract liabilities		(74,716)	32,056	(38,699)	18,696
Interest income on investments not measured at FVTPL		101,900	82,939	176,764	152,785
Other investment income		3,732	9,439	144,081	165,604
NET INVESTMENT RESULTS		172,003	114,983	354,903	374,231
Insurance finance expense for insurance contracts issued	13	(105,326)	(103,488)	(143,560)	(159,249)
Reinsurance finance income for reinsurance contracts held	13	28,700	61,277	85,155	77,998
NET INSURANCE FINANCE RESULTS		(76,626)	(42,211)	(58,405)	(81,251)
NET INSURANCE AND INVESTMENT RESULTS		232,628	146,424	577,012	484,770
Other operating income		7,145	4,030	17,737	9,249
Other operating expenses		(22,333)	(22,110)	(41,641)	(35,331)
NET PROFIT BEFORE TAX		217,440	128,344	553,108	458,688
Income tax for the period	15	(27,608)	(13,300)	(50,102)	(43,169)
Deferred tax	15	108	131	(472)	-
NET PROFIT AFTER TAX		189,940	115,175	502,534	415,519
Attributable to:					
Shareholders		187,755	110,000	493,727	404,467
Non-controlling interests		2,185	5,175	8,807	11,052
		189,940	115,175	502,534	415,519
Basic and diluted earnings per share (AED)	9	37.55	22.00	98.75	80.89

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six-month period ended 30 June 2025 (Unaudited)

	<i>Three month period ended 30 June (Unaudited)</i>		<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2025 AED '000</i>	<i>2024 AED '000</i>	<i>2025 AED '000</i>	<i>2024 AED '000</i>
<i>Notes</i>				
NET PROFIT AFTER TAX	189,940	115,175	502,534	415,519
OTHER COMPREHENSIVE INCOME				
<i>Other comprehensive loss that will be reclassified to profit or loss in subsequent periods</i>				
Foreign currency adjustments from translation of foreign operations	(1,204)	(8,010)	(3,764)	(73,935)
Deferred tax asset on exchange differences on translation of foreign operations	6	721	339	6,654
Other comprehensive loss for the period net of deferred tax	(1,198)	(7,289)	(3,425)	(67,281)
<i>Other comprehensive income ((loss) that will not be reclassified to profit or loss in subsequent periods</i>				
Net changes in fair value of investments at FVOCI	301,912	(175,952)	386,716	300,117
Deferred tax on fair value of investments carried at FVOCI	(23,780)	15,506	(34,805)	(27,010)
Other comprehensive income (loss) for the period, net of deferred tax	278,132	(160,446)	351,911	273,107
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD, NET OF TAX	466,874	(52,560)	851,020	621,345
Attributable to:				
Shareholders	464,449	(57,613)	842,195	623,926
Non-controlling interests	2,425	5,053	8,825	(2,581)
	466,874	(52,560)	851,020	621,345

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2025 (Unaudited)

Attributable to equity holders of the company(Unaudited)

	<i>Share capital AED '000</i>	<i>Statutory reserve AED '000</i>	<i>Legal reserve AED '000</i>	<i>Exceptional loss reserve AED '000</i>	<i>General reserve AED '000</i>	<i>Reinsurance risk reserve AED '000</i>	<i>Fair value investments reserve AED '000</i>	<i>Foreign currency translation reserve AED '000</i>	<i>Capital reserve AED '000</i>	<i>Retained earnings AED '000</i>	<i>Total AED '000</i>	<i>Non- controlling interests AED '000</i>	<i>Total AED '000</i>
As at 1 January 2025	500,000	125,000	250,000	388,258	1,888,255	103,831	1,311,534	(323,633)	17,910	894,893	5,156,048	51,281	5,207,329
Profit for the period	-	-	-	-	-	-	-	-	-	493,727	493,727	8,807	502,534
Other comprehensive income for the period, net of deferred tax	-	-	-	-	-	-	351,912	(3,443)	-	-	348,469	18	348,487
Transfer to reserves*	-	-	17,314	-	(10,795)	18,441	-	-	-	(24,960)	-	-	-
Dividends paid (Note 10)	-	-	-	-	-	-	-	-	-	(400,000)	(400,000)	-	(400,000)
As at 30 June 2025 (Unaudited)	500,000	125,000	267,314	388,258	1,877,460	122,272	1,663,446	(327,076)	17,910	963,660	5,598,244	60,106	5,658,350

*Represents reclassification adjustment of legal reserve (also referred as statutory reserve) of Orient Takaful P.J.SC, subsidiary of Group.

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2025 (Unaudited)

Attributable to equity holders of the company

	<i>Share capital AED '000</i>	<i>Statutory reserve AED '000</i>	<i>Legal reserve AED '000</i>	<i>Exceptional loss reserve AED '000</i>	<i>General reserve AED '000</i>	<i>Reinsurance risk reserve AED '000</i>	<i>Fair value investments reserve AED '000</i>	<i>Foreign currency translation reserve AED '000</i>	<i>Capital reserve AED '000</i>	<i>Retained earnings AED '000</i>	<i>Total AED '000</i>	<i>Non- controlling interests AED '000</i>	<i>Total AED '000</i>
As at 1 January 2024	500,000	125,000	250,000	361,608	1,798,041	73,704	788,100	(255,705)	17,910	631,066	4,289,724	47,556	4,337,280
Profit for the period	-	-	-	-	-	-	-	-	-	404,467	404,467	11,052	415,519
Other comprehensive income for the period net of deferred tax	-	-	-	-	-	-	273,106	(53,647)	-	-	219,459	(13,633)	205,826
Transfer to reserves	-	-	-	-	1,010	14,297	-	-	-	(15,307)	-	-	-
Dividends paid (Note 10)	-	-	-	-	-	-	-	-	-	(300,000)	(300,000)	-	(300,000)
As at 30 June 2024 (Unaudited)	500,000	125,000	250,000	361,608	1,799,051	88,001	1,061,206	(309,352)	17,910	720,226	4,613,650	44,975	4,658,625

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six month period ended 30 June 2025(Unaudited)

	<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2025</i>	<i>2024</i>
<i>Note</i>	<i>AED'000</i>	<i>AED'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax for the period	553,108	458,688
Adjustment for:		
Depreciation for the period	9,243	485
Realised loss/ (gain) on investments carried at FVTPL	877	(1,080)
Provision for employees end of service benefits	5,346	2,911
Unrealized gain/(Loss) on sale of investments carried at FVTPL	(77,670)	36,066
Interest expense on lease liabilities	658	130
Interest income	(161,365)	(152,785)
Dividend income	(137,525)	(120,498)
Cash flows from operating activities	192,672	223,917
Changes in insurance contract assets	(61,369)	51,789
Changes in reinsurance contract assets	(336,080)	(2,225,824)
Changes in other receivable and prepayments	(118,073)	(142,401)
Changes in insurance contract liabilities	301,178	2,441,554
Changes in reinsurance contract liabilities	217,162	(276,313)
Retirement benefit obligation	(1,140)	(1,928)
Lease liability	1,767	3,192
Movement in Income tax liability	(5,555)	(2,538)
Movement in deferred tax liability	35,442	(7,118)
Net cash generated from operating activities	226,004	64,330
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(28,190)	(487)
Lease asset	10,827	(352)
Interest income	161,365	152,785
Dividend income	137,525	120,498
Movement in deposits with banks	42,277	193,154
Purchase of investments carried at FVTPL	(282,445)	(396,825)
Purchase of investments carried at amortized cost	(235,392)	(188,477)
Purchase of investments carried at FVTOCI	(79,387)	(51,030)
Proceeds from sale of investments carried at FVTPL	293,782	297,679
Proceeds of matured investments carried at amortized cost	203,186	240,961
Proceeds from sale/maturity of investments carried at FVTOCI	41,166	27,439
Net cash generated from investing activities	264,714	395,345
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	570	(1,497)
Dividends paid	(400,000)	(300,000)
Net cash used in financing activities	(399,430)	(301,497)
INCREASE IN CASH AND CASH EQUIVALENTS	91,288	158,178
Cash and cash equivalents as at 1 January	766,376	493,414
Movement in foreign currency translation reserve net of tax	(3,764)	(67,280)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	853,900	584,312

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Orient Insurance PJSC (the “Company”) was incorporated with limited liability on 22 July 1980 in the Emirate of Dubai by a decree of His Highness and the Ruler of Dubai and commenced operations on 1 January 1982. The Company was registered in accordance with the UAE Federal Law No. 9 of 1984, as amended, (“The Insurance Companies Law”) on 29 December 1984 with registration No. 14 in the Insurance Companies Register of the Central Bank of UAE (CBUAE), formerly Insurance Authority (IA). On 2 May 1988 the company was converted into a public shareholding company in accordance with the requirements of the Insurance Companies Law and has been registered under UAE Federal Law No. (32) of 2021, relating to commercial companies. The shares of the company are listed on the Dubai Financial Market. The Group is subject to the regulations of UAE Federal Decree Law No:48 of 2023 regarding the Regulation of Insurance Activities. The registered address of the company is P.O. Box 27966, Dubai, United Arab Emirates.

The company engages in the business of issuing short term insurance contracts in connection with property, engineering, motor, marine, miscellaneous accidents and medical (collectively referred to as general insurance) and group life and individual life classes (collectively referred to as life insurance). The company also invests its funds in investment securities and deposits with financial institutions.

The interim condensed consolidated financial information incorporates the interim condensed financial information of the company and its subsidiaries (collectively referred to as “the Group”). Details of the subsidiaries are as follows:

<i>Subsidiary</i>	<i>Principal activity</i>	<i>Country of incorporation</i>	<i>Ownership</i>	
			2025	2024
Arab Orient Insurance company	General and life insurance	Syria	40%	40%
Orient Takaful Insurance company (S.A.E)	General insurance	Egypt	80%	80%
Orient Insurance Limited	General insurance	Srilanka	100%	100%
Orient Sigorta Anomin Sirketi	General insurance	Turkey	100%	100%
Orient Takaful PJSC	General insurance	UAE	95.78%	95.78%

The holding company of the Group is Al Futtaim Development Services company, which is based in Dubai, United Arab Emirates and has control over the company. The ultimate holding company of the Group is Al Futtaim Holding Limited, which is based in Dubai International Financial Centre, Dubai, United Arab Emirates.

During the period, the Group has established a Branch in the Kingdom of Saudi Arabia. The relevant regulatory approvals were received on the 22 December 2024 from the Insurance Authority, Saudi Arabia.

Arab Orient Insurance Group

Although the company owns 40% of Arab Orient Insurance company, the company maintains control over the entity as it has power over the investee, exposure or rights to its variable returns and the power to affect the investor's returns due to additional share holding by the ultimate holding company. Accordingly, management has determined that it controls the entity.

2 BASIS OF PREPARATION

The interim condensed consolidated financial statements are for the six month period ended 30 June 2025 and have been prepared in accordance with IAS 34 Interim Financial Reporting and are presented in United Arab Emirates Dirham (AED), which is also the functional currency of the Group. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The directors consider that there are no material uncertainties that may cast significant doubt over this assumption.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at 31 December 2024. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

3 NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Group’s financial statements as the currencies of the Group currencies are exchangeable and spot rate can be easily determined from external sources.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

Judgements and estimates

The preparation of these interim condensed financial statements 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 these interim condensed consolidated financial statements, 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 Group’s annual audited financial statements as at and for the year ended 31 December 2024 except estimates applied for calculation of tax liabilities arising from Pillar Two income taxes.

Taxes

Uncertainties may exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities in which it operates. The amount of such provisions is based on various factors, such as experience of tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on variety of issues depending on the conditions prevailing at a point in time..

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

5 INVESTMENT SECURITIES

	<i>Amortised cost AED'000</i>	<i>Fair value through OCI AED'000</i>	<i>Fair value through profit and loss AED'000</i>	<i>Total AED'000</i>
<i>At 30 June 2025 (Unaudited)</i>				
Quoted equity securities in UAE	-	2,274,666	21,588	2,296,254
Quoted debt security in UAE	-	747,047	-	747,047
Unquoted equity securities outside UAE	-	1	-	1
Quoted equity securities in UAE held on behalf of policyholders' unit linked products (note 5.1)	-	-	73,908	73,908
Quoted equity securities outside UAE held on behalf of policyholders' unit linked products (note 5.1)	-	-	1,553,381	1,553,381
Total equity securities	-	3,021,714	1,648,877	4,670,591
Total other invested assets	287,962	12,907	-	300,869
Total invested assets	287,962	3,034,621	1,648,877	4,971,460
Impairment	(1,440)	(3,735)	-	(5,175)
Total	286,522	3,030,886	1,648,877	4,966,285
	<i>Amortised cost AED'000</i>	<i>Fair value through OCI AED'000</i>	<i>Fair value through profit and loss AED'000</i>	<i>Total AED'000</i>
<i>At 31 December 2024 (Audited)</i>				
Quoted equity securities in UAE	-	1,898,394	16,674	1,915,068
Quoted debt security in UAE	-	734,093	-	734,093
Unquoted equity securities outside UAE	-	1	-	1
Quoted equity securities in UAE held on behalf of policyholders' unit linked products	-	-	77,902	77,902
Quoted equity securities outside UAE held on behalf of policyholders' unit linked products	-	-	1,314,183	1,314,183
Total equity securities	-	2,632,488	1,408,759	4,041,247
Total other invested assets	255,593	13,124	-	268,717
Total invested assets	255,593	2,645,612	1,408,759	4,309,964
Impairment	(1,278)	(4,319)	-	(5,597)
Total	254,315	2,641,293	1,408,759	4,304,367

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

5.1 UNIT LINKED INVESTMENTS HELD ON BEHALF OF POLICYHOLDERS

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Balance as at 1 January	1,392,085	1,010,091
Deposits received	490,393	799,276
Surrenders and maturities	(293,782)	(538,030)
Policy and charges deducted	(34,164)	(56,077)
Change in fair value of unit linked assets	72,757	176,825
	1,627,289	1,392,085

6 CASH AND CASH EQUIVALENTS

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Bank balances and cash	830,612	733,644
Deposits with banks maturing within three months	23,288	32,732
Cash and cash equivalents	853,900	766,376
Bank deposits maturing after three months	4,467,142	4,515,003
Expected credit loss under IFRS 9	(25,627)	(25,265)
Bank deposits	4,441,515	4,489,738
Cash and bank balances including bank deposits:		
Inside UAE:	4,596,375	4,943,909
Outside UAE:	699,040	312,205
	5,295,415	5,256,114

Bank balances include AED 22,236 thousand (31 December 2024: AED 16,815 thousand) under lien against the bank guarantees.

Bank deposits held in UAE contribute to 95% of the total deposits for the group on which fixed interest rate range from to 2% to 4.85% (2024: 2% to 5%)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

7 OTHER RECEIVABLES AND PREPAYMENTS

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Prepayments *	124,119	80,393
Accrued interest	89,939	7,513
Refundable deposits	3,445	11,525
Others	268	265
	<u>217,771</u>	<u>99,696</u>

*Includes unclaimed input VAT – Orient Takaful P.J.S.C amounting to AED **25,732** (2024:19,889).

8 SHARE CAPITAL

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Authorised, issued and fully paid 5,000,000 shares of AED 100 each (31 December 2024: 5,000,000 shares of AED 100 each)	<u>500,000</u>	<u>500,000</u>

9 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

	<i>Three month period ended 30 June (Unaudited)</i>		<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2025 AED '000</i>	<i>2024 AED '000</i>	<i>2025 AED '000</i>	<i>2024 AED '000</i>
Net profit after tax	189,940	115,175	502,534	415,519
Less: Attributable to non- controlling interests	(2,185)	(5,175)	(8,807)	(11,052)
Profit attributable to shareholders	<u>187,755</u>	<u>110,000</u>	<u>493,727</u>	<u>404,467</u>
Weighted average number of shares outstanding during the period	<u>5,000</u>	<u>5,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
Earnings per share (AED)	<u>37.55</u>	<u>22.00</u>	<u>98.75</u>	<u>80.89</u>

Basic earnings per share are calculated by dividing the profit attributable to equity holders for the Group for the period divided by the number of weighted average shares outstanding at the end of the reporting period. Diluted earnings per share is equivalent to basic earnings per share as the company did not issue any new instrument that would impact earnings per share when executed.

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

10 DIVIDEND PAID

Dividend of AED 80 per share (totaling to AED 400 million) relating to the year 2024 was declared upon approval of the shareholders at the Annual General Meeting held on 8 April 2025 and was paid to shareholders on 29 April 2025.

11 LIABILITIES FOR INVESTMENT CONTRACTS

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Balance as at 1 January	1,008,155	729,262
Deposits received	365,867	658,540
Surrenders and maturity payments	(211,590)	(439,109)
Policy and charges deducted	(19,190)	(29,680)
Net change in fair value of investment contract liabilities	38,699	89,142
	1,181,941	1,008,155

12 RELATED PARTY TRANSACTIONS

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

Transactions with related parties included in the interim condensed consolidated statement of profit or loss are as follows:

	<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2025 AED'000'</i>	<i>2024 AED'000'</i>
Insurance premiums	259,644	226,891
Administrative expenses	28,965	22,813
Cost of repair of vehicles related to claims	73,224	38,562
Interest income	4,956	820
Dividends received	135,864	117,111

Balances with related parties included in the interim consolidated statement of financial position are as follows:

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Investment securities (CBD)	2,468,536	2,080,685
Deposits with bank (CBD)	154,335	154,661
Amounts due from related parties	251,351	109,981
Amounts due to related parties	36,963	74,843

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES

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

	<i>30 June 2025(Unaudited)</i>			<i>31 December 2024 (Audited)</i>		
	<i>Assets AED'000</i>	<i>Liabilities AED'000</i>	<i>Net AED'000</i>	<i>Assets AED'000</i>	<i>Liabilities AED'000</i>	<i>Net AED'000</i>
Insurance contracts issued						
General, medical and group life (contracts measured under PAA)	(176,693)	7,398,338	7,221,645	113,548	(7,163,507)	(7,049,959)
Individual life business (contracts measured under GMM/VFA)	(43,899)	1,166,600	1,122,701	45,675	(1,100,255)	(1,054,580)
Total insurance contracts issued	(220,592)	8,564,938	8,344,346	159,223	(8,263,762)	(8,104,539)
Reinsurance contracts held						
General, medical and group life (contracts measured under PAA)	(5,682,179)	939,501	(4,742,678)	5,356,972	(727,149)	4,629,823
Individual life business (contracts measured under GMM/VFA)	(252,568)	38,410	(214,158)	241,695	(33,600)	208,095
Total reinsurance contracts issued	(5,934,747)	977,911	(4,956,836)	5,598,667	(760,749)	4,837,918

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of the liability of remaining coverage (LRC) & liability for incurred claims for insurance contracts (LIC) as at 30 June 2025

30 June 2025(Unaudited)

Amounts in AED'000

	<i>Liability for Remaining coverage - PAA</i>		<i>Liability for Remaining Coverage - VFA</i>		<i>Liability for Remaining coverage - GMM -PAA</i>			<i>Liability for incurred claims</i>		
	<i>Excluding loss component</i>	<i>Loss component</i>	<i>Excluding loss component</i>	<i>Loss component</i>	<i>Excluding loss component</i>	<i>Loss component</i>	<i>LIC for Contracts not under PAA</i>	<i>Present value for future cashflows</i>	<i>Risk adj for non-financial risk</i>	<i>Total</i>
Opening balance of insurance contract assets	145,182	-	1,021	-	13,020	-	-	-	-	159,223
Opening balance of insurance contract liabilities	(2,227,598)	(5,996)	(530,119)	(2,460)	(304,947)	(12,668)	(49,298)	(4,904,186)	(226,490)	(8,263,762)
Net insurance contract liabilities as at 1 January 2025	(2,082,416)	(5,996)	(529,098)	(2,460)	(291,927)	(12,668)	(49,298)	(4,904,186)	(226,490)	(8,104,539)
Insurance revenue	4,427,083	-	36,485	-	6,214	-	-	-	-	4,469,782
Incurring claims and other expenses	-	-	-	434	-	460	(137,433)	(1,993,443)	93,226	(2,036,756)
Amortization of insurance acquisition cashflows	(442,959)	-	(7,289)	-	(1,035)	-	-	-	-	(451,283)
Changes in liabilities for incurred claims	-	-	-	-	-	-	114,376	(179,811)	(92,913)	(158,348)
Losses on onerous component and reversal of such losses	-	(2,110)	-	(27)	-	4,135	-	-	-	1,998
Insurance Service Expenses	(442,959)	(2,110)	(7,289)	407	(1,035)	4,595	(23,057)	(2,173,254)	313	(2,644,389)
Insurance service results	3,984,124	(2,110)	29,196	407	5,179	4,595	(23,057)	(2,173,254)	313	1,825,393
Insurance finance expenses recognized in profit or loss	-	-	(33,962)	(42)	(10,065)	(254)	-	(98,582)	(655)	(143,560)
Total changes to statement of profit or loss	3,984,124	(2,110)	(4,766)	365	(4,886)	4,341	(23,057)	(2,271,836)	(342)	1,681,833

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of the liability of remaining coverage (LRC) & liability for incurred claims for insurance contracts (LIC) as at 30 June 2025 (continued)

30 June 2025(Unaudited)

Amounts in AED'000

	<i>Liability for Remaining coverage - PAA</i>		<i>Liability for Remaining Coverage - VFA</i>		<i>Liability for Remaining coverage - GMM</i>			<i>Liability for incurred claims -PAA</i>		
	<i>Excl. loss component</i>	<i>Loss component</i>	<i>Excl. loss component</i>	<i>Loss component</i>	<i>Excl. loss component</i>	<i>Loss component</i>	<i>LIC for Contracts not under PAA</i>	<i>Present value for future cashflows</i>	<i>Risk adj for non-financial risk</i>	<i>Total</i>
Investment components	-	-	39,047	-	40,671	-	(79,718)	-	-	-
Cash flows										
Premiums received	(4,875,980)	-	(114,840)	-	(15,923)	-				(5,006,743)
Claims & other expenses paid	-	-	-	-	-	-	108,801	2,319,070		2,427,871
Acquisition cashflows paid	635,631	-	16,372	-	884	-				652,887
Total cashflows	(4,240,349)	-	(98,468)	-	(15,039)	-	108,801	2,319,070	-	(1,925,985)
Foreign currency translation difference	(889)	724	-	-	-	-	-	4,250	260	4,345
Net insurance contract liabilities at 30 June 2025	(2,339,530)	(7,382)	(593,285)	(2,095)	(271,181)	(8,327)	(43,272)	(4,852,702)	(226,572)	(8,344,346)
Closing balance of insurance contract assets	206,906	-	551	-	13,135	-	-	-	-	220,592
Closing balance of insurance contract liabilities	(2,546,436)	(7,382)	(593,836)	(2,095)	(284,316)	(8,327)	(43,272)	(4,852,702)	(226,572)	(8,564,938)
Net insurance contract liabilities as at 30 June 2025	(2,339,530)	(7,382)	(593,285)	(2,095)	(271,181)	(8,327)	(43,272)	(4,852,702)	(226,572)	(8,344,346)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of the liability of remaining coverage (LRC) & liability for incurred claims for insurance contracts (LIC) as at 31 December 2024

31 December 2024(Audited)

Amounts in AED'000

	Remaining coverage - PAA		Remaining Coverage - VFA		Remaining coverage - GMM			Liability for incurred claims -PAA		
	Excl. loss component	Loss component	Excl. loss component	Loss component	Excl. loss component	Loss component	LIC for Contracts not under PAA	Present value for future cashflows	Risk adj for non-financial risk	Total
Opening Balance of Insurance Contract Assets	207,434	-	207	-	12,542	-	-	-	-	220,183
Opening Balance of Insurance Contract Liabilities	(2,001,487)	(1,357)	(428,266)	(206)	(334,966)	(11,114)	(36,593)	(2,738,335)	(132,928)	(5,685,252)
Net opening position of Insurance contracts as on 1 January 2024	(1,794,053)	(1,357)	(428,059)	(206)	(322,424)	(11,114)	(36,593)	(2,738,335)	(132,928)	(5,465,069)
Insurance Revenue	7,511,826	-	74,639	-	9,905	-	-	-	-	7,596,370
Incurred Claims and other expense	-	-	-	-	-	2,209	(195,657)	(6,885,420)	(66,124)	(7,144,992)
Amortisation of insurance acquisition Cash Flows	(714,405)	-	(10,980)	-	(463)	-	-	-	-	(725,848)
Changes in liabilities for Incurred Claims	-	-	-	-	-	-	164,997	410,752	(32,300)	543,449
Changes in Onerous Liability and reversal of such losses	-	(5,076)	-	(2,254)	-	(3,359)	-	-	-	(10,689)
Insurance Service Expenses	(714,405)	(5,076)	(10,980)	(2,254)	(463)	(1,150)	(30,660)	(6,474,668)	(98,424)	(7,338,080)
Insurance Service Result	6,797,421	(5,076)	63,659	(2,254)	9,442	(1,150)	(30,660)	(6,474,668)	(98,424)	258,290
Insurance finance expenses recognized in profit and loss	-	-	(93,652)	-	3,031	(404)	-	(72,577)	156	(163,446)
Total changes to statement of Profit and loss	6,797,421	(5,076)	(29,993)	(2,254)	12,473	(1,554)	(30,660)	(6,547,245)	(98,268)	94,844

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of the liability of remaining coverage (LRC) & liability for incurred claims for insurance contracts (LIC) as at 31 December 2024 (continued)

31 December 2024(Audited)

Amounts in AED'000

	Remaining coverage - PAA		Remaining Coverage - VFA		Remaining coverage - GMM			Liability for incurred claims -PAA		
	Excl. loss component	Loss component	Excl. loss component	Loss component	Excl. loss component	Loss component	LIC for Contracts not under PAA	Present value for future cashflows	Risk adj for non-financial risk	Total
Investment Components	-	-	106,284	-	53,466	-	(159,750)	-	-	-
Cash flows										
Premium Received	(7,797,187)	-	(213,792)	-	(37,798)	-	-	-	-	(8,048,777)
Claims & Other Expenses Paid	-	-	-	-	-	-	177,704	4,314,493	-	4,492,197
Acquisition Cash Flows Paid	636,160	-	36,462	-	2,362	-	-	-	-	674,984
Total Cash Flows	(7,161,027)	-	(177,330)	-	(35,436)	-	177,704	4,314,493	-	(2,881,596)
Foreign Currency Translation difference	75,247	437	-	-	-	-	-	66,901	4,707	147,292
Net Balance as at 31 December 2024	(2,082,412)	(5,996)	(529,098)	(2,460)	(291,921)	(12,668)	(49,299)	(4,904,186)	(226,489)	(8,104,529)
Closing Insurance of Contract Assets	145,186	-	1,021	-	13,026	-	-	-	-	159,233
Closing Insurance of Contract Liabilities	(2,227,598)	(5,996)	(530,119)	(2,460)	(304,947)	(12,668)	(49,299)	(4,904,186)	(226,489)	(8,263,762)
Net Insurance contract liabilities Balance as at 31 December 2024	(2,082,412)	(5,996)	(529,098)	(2,460)	(291,921)	(12,668)	(49,299)	(4,904,186)	(226,489)	(8,104,529)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

30 June 2025 (Unaudited)

	<i>Present value of future cashflows AED '000</i>	<i>Risk adj. for non-financial risk AED '000</i>	<i>CSM AED '000</i>	<i>Total AED '000</i>
Opening balance of insurance contract liabilities	(789,942)	(9,297)	(100,254)	(899,493)
Opening balance of insurance contract assets	14,047	-	-	14,047
Net insurance contract liabilities as at 1 January 2025	(775,895)	(9,297)	(100,254)	(885,446)
<i>Changes that relate to current service</i>				
CSM recognised for the services provided	-	-	13,112	13,112
Change in the risk adjustment for non-financial risk for the risk expired	-	1,478	-	1,478
Experience adjustments-premium and associated cashflows	(8,024)	-	-	(8,024)
	(8,024)	1,478	13,112	6,566
<i>Changes that relate to future service</i>				
Contracts initially recognised in the period	23,703	(588)	(23,179)	(64)
Changes in estimates that adjust the CSM	(2,434)	(981)	7,430	4,015
	21,269	(1,569)	(15,749)	3,951
<i>Changes that relate to past service</i>				
Adjustments to liabilities for incurred claims	5,802	-	-	5,802
	5,802	-	-	5,802
Insurance service result	19,047	(91)	(2,637)	16,319
Insurance finance expenses recognized in profit or loss	(43,794)	(73)	(456)	(44,323)
Total amounts recognised in profit or loss	(24,747)	(164)	(3,093)	(28,004)
Cash flows				
Premiums received	(130,765)	-	-	(130,766)
Claims and other expenses	108,800	-	-	108,800
Acquisition cashflows paid	17,256	-	-	17,256
Total cash flows	(4,709)	-	-	(4,709)
Net insurance contract liabilities as at 30 June 2025	(805,351)	(9,461)	(103,347)	(918,159)
Closing balance of insurance contract liabilities	(819,037)	(9,461)	(103,347)	(931,845)
Closing balance of insurance contract assets	13,686			13,686
Net insurance contract liabilities as at 30 June 2025	(805,351)	(9,461)	(103,347)	(918,159)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

<i>31 December 2024(Audited)</i> <i>Amounts in AED'000</i>	<i>Present value of future cashflows AED '000</i>	<i>Risk adj. for non-financial risk AED '000</i>	<i>CSM AED '000</i>	<i>Total AED '000</i>
Opening insurance contract liabilities	(732,199)	(9,283)	(69,663)	(811,145)
Opening insurance contract assets	12,749	-	-	12,749
Net balance as at 1 January 2024	(719,450)	(9,283)	(69,663)	(798,396)
Changes that relate to current service				
CSM recognised for the services provided	-	-	22,249	22,249
Change in the risk adjustment for non-financial risk for the risk expired	-	2,526	-	2,526
Experience adjustments	32,717	-	-	32,717
	32,717	2,526	22,249	57,492
Changes that relate to future service				
Contracts initially recognised in the period	21,250	(1,363)	(20,382)	(495)
Changes in estimates that adjust the CSM	27,300	(1,017)	(31,537)	(5,254)
	48,550	(2,380)	(51,919)	(5,749)
Changes that relate to past service				
Adjustments to liabilities for incurred claims	(12,706)	-	-	(12,706)
	(12,706)	-	-	(12,706)
Insurance service result	68,561	146	(29,670)	39,037
Finance expenses from insurance contracts issued	(89,944)	(162)	(921)	(91,027)
Total amounts recognised in PL	(21,383)	(16)	(30,591)	(51,990)
Cash flows				
Premiums received	(251,590)	-	-	(251,590)
Claims and other directly attributable expenses paid	177,704	-	-	177,704
Insurance acquisition cash flows	38,824	-	-	38,824
Total cash flows	(35,062)	-	-	(35,062)
Net balance as at 31 December 2024	(775,895)	(9,299)	(100,254)	(885,448)
Closing insurance contract liabilities	(789,942)	(9,299)	(100,254)	(899,495)
Closing insurance contract assets	14,047	-	-	14,047
Net balance as at 31 December 2024	(775,895)	(9,299)	(100,254)	(885,448)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of asset for remaining coverage & asset for incurred claims for reinsurance contracts as at 30 June 2025

30 June 2025 (Unaudited)

Amounts in AED'000

	<i>Asset for Remaining coverage - PAA</i>		<i>Asset for Remaining Coverage - VFA</i>		<i>Asset for Remaining coverage - GMM</i>		<i>Asset for incurred claims -PAA</i>			
	<i>Excluding loss Component</i>	<i>Loss component</i>	<i>Excluding loss component</i>	<i>Loss component</i>	<i>Excluding loss component</i>	<i>Loss component</i>	<i>AIC for Contracts not under PAA</i>	<i>Present value for future cashflows</i>	<i>Risk adj for non-financial risk</i>	<i>Total</i>
Opening balance of reinsurance contract assets	1,320,342	4,038	3,534	8,771	9,882	6,475	15,070	4,038,113	192,442	5,598,667
Opening balance of reinsurance contract liabilities	(727,149)	-	(12,707)	-	(20,893)	-	-	-	-	(760,749)
Net opening balance of reinsurance contracts assets as at 1 January 2025	593,193	4,038	-9,173	8,771	-11,011	6,475	15,070	4,038,113	192,442	4,837,918
Reinsurance premiums	(3,276,756)	(3,861)	(2,878)	-	(4,070)	-				(3,287,565)
Amounts recovered on incurred claims and other expenses	-	-	-	-	-	(398)	3,162	1,444,799	10,080	1,457,643
Amortization of insurance acquisition cashflows	189,978	-	-	-	-	-	-	-	-	189,978
Changes in asset for incurred claims	-	-	-	-	-	(14)	(47)	98,147	(10,718)	87,368
Claims Recovered (Loss Recovery)	-	5,850	(22)	1,877	(173)	165	-	-	-	7,697
Net income from reinsurance contracts held	(3,086,778)	1,989	(2,900)	1,877	(4,243)	(247)	3,115	1,542,946	(638)	(1,544,879)
Reinsurance finance income recognized in profit or loss	-	-	9	-	34	189	-	84,255	668	85,155
Total changes recognized in statement of profit or loss	(3,086,778)	1,989	(2,891)	1,877	(4,209)	(58)	3,115	1,627,201	30	(1,459,724)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of asset for remaining coverage & asset for incurred claims for reinsurance contracts as at 30 June 2025 (continued)

30 June 2025(Unaudited)

Amounts in AED'000

	Asset for Remaining coverage - PAA		Asset for Remaining Coverage - VFA		Asset for Remaining coverage - GMM		Asset for incurred claims -PAA			
	Excl. loss component	Loss component	Excl. loss component	Loss component	Excl. loss component	Loss component	AIC for Contracts not under PAA	Present value for future cashflows	Risk adj for non-financial risk	Total
Cash flows										
Premiums paid	3,520,901	-	1,918	-	(1,186)	-	-	-	-	3,521,633
Claims & other expenses recovered	-	-	-	-	-	-	(1782)	(1,713,165)	-	(1,714,947)
Insurance acquisition cashflows recovered	(224,153)	-	-	-	-	-	-	-	-	(224,153)
Total cashflows	3,296,748	-	1,918	-	(1,186)	-	(1,782)	(1,713,165)	-	1,582,533
Foreign currency translation difference	(5,673)	528	-	-	-	-	-	8,866	170	3,891
Net reinsurance contract assets as at 30 June 2025	808,836	5,499	-10,146	10,648	(16,406)	6,417	16,403	3,943,283	192,302	4,956,836
Closing balance of reinsurance contract assets	1,748,337	5,499	3,633	10,648	8,225	6,417	16,403	3,943,283	192,302	5,934,747
Closing balance of reinsurance contract liabilities	(939,501)	-	(13,779)	-	(24,631)	-	-	-	-	(977,911)
Net reinsurance contract assets as at 30 June 2025	808,836	5,499	(10,146)	10,648	(16,406)	6,417	16,403	3,943,283	192,302	4,956,836

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of the asset for remaining coverage & asset for incurred claims for reinsurance contracts as at 31 December 2024

31 December 2024(Audited)

Amounts in AED'000

	Remaining coverage - PAA		Remaining Coverage - VFA		Remaining coverage - GMM			Liability for incurred claims -PAA		
	Excl. loss component	Loss component	Excl. loss component	Loss component	Excl. loss component	Loss component	LIC for Contracts not under PAA	Present value for future cashflows	Risk adj for non-financial risk	Total
Opening Balance of Reinsurance Contract Assets	1,407,979	652	2,399	3,718	7,998	3,468	13,360	1,986,539	96,011	3,522,124
Opening Balance Reinsurance Contract Liabilities	(905,895)	-	(10,322)	-	(21,098)	-	-	-	-	(937,315)
Net opening position of reinsurance contracts assets on 1 January 2024	502,084	652	(7,923)	3,718	(13,100)	3,468	13,360	1,986,539	96,011	2,584,809
Reinsurance Expenses	(5,558,893)	(652)	(5,551)	-	(4,511)	-	-	-	-	(5,569,607)
Incurred Claims and other directly attributable expense	-	-	-	-	-	(641)	12,780	5,489,579	135,295	5,637,013
Amortisation of Insurance Acquisition Cash Flows	315,218	-	-	-	-	-	-	-	-	315,218
Changes related to past service - adjustment to LIC	-	-	-	-	-	(7)	(4,679)	(245,801)	(37,950)	(288,437)
Claims Recovered (Loss Recovery)	-	4,347	(230)	5,053	(211)	3,182	-	-	-	12,141
Net income from reinsurance contracts held	(5,243,675)	3,695	(5,781)	5,053	(4,722)	2,534	8,101	5,243,778	97,345	106,328
Finance Expenses from Reinsurance Contracts held (PL)	-	-	(118)	-	156	474	-	54,094	(133)	54,473
Total changes to statement of Profit and loss	(5,243,675)	3,695	(5,899)	5,053	(4,566)	3,008	8,101	5,297,872	97,212	160,801

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of the asset for remaining coverage & asset for incurred claims for reinsurance contracts as at 31 December 2024 (continued)

31 December 2024 (Audited)

Amounts in AED'000

	Remaining coverage - PAA		Remaining Coverage - VFA		Remaining coverage - GMM			Liability for incurred claims -PAA		
	Excl. loss component	Loss component	Excl. loss component	Loss component	Excl. loss component	Loss component	LIC for Contracts not under PAA	Present value for future cashflows	Risk adj for non-financial risk	Total
Cash flows										
Premiums paid	5,705,157	-	4,649	-	6,655	-	-	-	-	5,716,461
Claims & Other Expenses										
Recovered	-	-	-	-	-	-	(6,391)	(3,212,596)	-	(3,218,987)
Acquisition Cash Flows received	(355,167)	-	-	-	-	-	-	-	-	(355,167)
Total Cash Flows	5,349,990	-	4,649	-	6,655	-	(6,391)	(3,212,596)	-	2,142,307
Foreign Currency Translation Difference	15,206	309	-	-	-	-	-	33,702	782	49,999
Net Balance										
as at 31 December 2024	593,193	4,038	(9,173)	8,771	(11,011)	6,476	15,070	4,038,113	192,441	4,837,918
Closing Reinsurance of Contract Assets	1,320,342	4,038	3,534	8,771	9,882	6,476	15,070	4,038,113	192,441	5,598,667
Closing Reinsurance of Contract Liabilities	(727,149)	-	(12,707)	-	(20,893)	-	-	-	-	(760,749)
Net Balance of Reinsurance Contract assets as at 31 December 2024	593,193	4,038	(9,173)	8,771	(11,011)	6,476	15,070	4,038,113	192,441	4,837,918

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

30 June 2025 (Unaudited)

	<i>Present value of future cashflows AED '000</i>	<i>Risk adj. for non-financial risk AED '000</i>	<i>CSM AED '000</i>	<i>Total AED '000</i>
Opening Reinsurance contract liabilities	(33,600)	-	-	(33,600)
Opening Reinsurance contract assets	25,665	932	17,138	43,735
Net reinsurance contract assets as at 1 January 2025	(7,935)	932	17,138	10,135
Changes that relate to current service				
CSM recognised for the services provided	-	-	(3,273)	(3,273)
Change in the risk adjustment for non-financial risk for the risk expired	-	(99)	-	(99)
Experience adjustments-relating to insurance service expenses	(2,407)	-	-	(2,407)
	(2,407)	(99)	(3,273)	(5,779)
Changes that relate to future service				
Contracts initially recognised in the period	(1,318)	132	1,882	696
Changes in estimates that adjust the CSM	1,615	(8)	(456)	1,151
	297	124	1,426	1,847
Changes that relate to past service				
Adjustments to assets for incurred claims	1,534	-	-	1,534
	1,534	-	-	1,534
Net expense from reinsurance contracts held	(576)	25	(1,847)	(2,398)
Reinsurance finance income recognized in statement of profit or loss	(147)	23	356	232
Total amounts recognised in statement of profit or loss	(723)	48	(1,491)	(2,166)
Cash flows				
Premiums paid net of ceding commissions	732	-	-	732
Recoveries on claims and expenses paid	(1,783)	-	-	(1,783)
Total cash flows	(1,051)	-	-	(1,051)
Net reinsurance contract assets as at 30 June 2025	(9,709)	980	15,647	6,918
Closing balance of reinsurance contract liabilities	(38,410)	-	-	(38,410)
Closing balance of reinsurance contract assets	28,701	980	15,647	45,328
Net reinsurance contract assets as at 30 June 2025	(9,709)	980	15,647	6,918

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

13 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

<i>31 December 2024(Audited)</i>	<i>Present value of future cashflows AED '000</i>	<i>Risk adj. for non-financial risk AED '000</i>	<i>CSM AED '000</i>	<i>Total AED '000</i>
Opening Reinsurance contract liabilities	16,466	333	14,143	30,942
Opening Reinsurance contract assets	(31,420)	-	-	(31,420)
Net balance as at 1 January 2024	(14,954)	333	14,143	(478)
Changes that relate to current service				
CSM recognised for the services provided	-	-	(2,607)	(2,607)
Change in the risk adjustment for non-financial risk for the risk expired	-	(70)	-	(70)
Experience adjustments-relating to insurance service expenses	(1,642)	-	-	(1,642)
	(1,642)	(70)	(2,607)	(4,319)
Changes that relate to future service				
Contracts initially recognised in the period	(2,185)	72	3,105	992
Changes in estimates that adjust the CSM	4,348	577	1,877	6,802
	2,163	649	4,982	7,794
Changes that relate to past service				
Adjustments to liabilities for incurred claims	1,711	-	-	1,711
	1,711	-	-	1,711
Net (expense)/ income from reinsurance contracts held	2,232	579	2,375	5,186
Finance income/ (expenses) from reinsurance contracts held	(127)	19	620	512
Total amounts recognised in PL	2,105	598	2,995	5,698
Cash flows				
Premiums paid net of ceding commissions	11,303	-	-	11,303
Recoveries from reinsurance	(6,389)	-	-	(6,389)
Total cash flows	4,914	-	-	4,914
Net balance as at 31 December 2024	(7,935)	931	17,138	10,134
Closing Reinsurance Contract Assets	25,665	931	17,138	43,734
Closing Reinsurance Contract Liabilities	(33,600)	-	-	(33,600)
Net balance as at 31 December 2024	(7,935)	931	17,138	10,134

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

14 INSURANCE REVENUE

For the six month period ended 30 June 2025 (Unaudited)

	<i>General AED'000</i>	<i>Life AED'000</i>	<i>Total AED'000</i>
<i>Contracts not measured under PAA</i>			
Expected incurred claims and other expenses after loss component allocation	-	(19,796)	(19,796)
Changes in risk adjustment for non-financial risk	-	(1,468)	(1,468)
Amortisation of contractual service margin	-	(13,112)	(13,112)
Allocation of the portion of premiums that relate to the recovery of insurance acquisition cash flows	-	(8,323)	(8,323)
	-	(42,699)	(42,699)
<i>Contracts measured under PAA</i>	(4,270,200)	(156,883)	(4,427,083)
Total insurance revenue	(4,270,200)	(199,582)	(4,469,782)

For the six month period ended 30 June 2024 (Unaudited)

	<i>General AED'000</i>	<i>Life AED'000</i>	<i>Total AED'000</i>
<i>Contracts not measured under PAA</i>			
Expected incurred claims and other expenses after loss component allocation	-	24,988	24,988
Changes in risk adjustment for non-financial risk	-	1,262	1,262
Amortisation of contractual service margin	-	11,454	11,454
Allocation of the portion of premiums that relate to the recovery of insurance acquisition cash flows	-	6,683	6,683
	-	44,387	44,387
<i>Contracts measured under PAA</i>	3,440,623	114,322	3,554,945
Total insurance revenue	3,440,623	158,709	3,599,332

15 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 Law ("CT Law") to enact a new CT regime in the UAE. The new CT regime became effective for accounting periods beginning on or after 1 June 2023. The Group is subject to CT Law starting 1 January 2024. The taxable income of the entities that are in scope for UAE CT purposes is subject to tax at 9%.

The effective tax rate (ETR) for the period ended 30 June 2025 is 9%. The deviation from the statutory tax rate is primarily driven by the QDMTT and partly offset by certain exempt income and exempt gains under the CT Law in the UAE.

Aligning with the OECD's Global Minimum Tax effort (Pillar Two), the UAE MoF has announced certain amendments to the CT Law introducing a Domestic Minimum Top-Up Tax of 15% for Multinational Enterprises (MNEs) with effect from financial years starting on or after 1st Jan 2025. The Group is within the scope of Pillar Two legislation and as such is subject to the Pillar Two rules.

The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

15 INCOME TAX (CONTINUED)

The Group estimates as current tax expense related to Pillar Two the amount of AED 13,360 thousand for the period ended 30 June 2025. The Pillar Two impact is in relation to the entities operating in the UAE.

	<i>Six month period ended 30 June</i>	
	<i>2025 AED'000' (Unaudited)</i>	<i>2024 AED'000' (Unaudited)</i>
Current income tax charge	37,214	43,169
Domestic minimum top-up tax	13,360	-
	50,574	43,169

The tax expense for the six-month period ended 30 June 2025 is AED 50,574 thousand (30 June 2024: AED 43,169 thousand) driven by the introduction and adoption of Top-up Tax on Multinational Enterprises with effect from 01 January 2025.

Amount recognized in the interim consolidated statement of profit or loss and comprehensive income. The major components of income tax expense for the period ended 30 June 2025:

	<i>Six month period ended 30 June</i>	
	<i>2025 AED'000' (Unaudited)</i>	<i>2024 AED'000' (Unaudited)</i>
Profit or loss		
<i>Current income tax expense:</i>		
Current income tax charge	(50,102)	43,169
Deferred income tax expense relating to origination and reversal of temporary differences	(472)	-
	50,574	43,169
Other comprehensive income		
Deferred tax expense on fair value of investments carried at FVOCI	(34,805)	(27,010)
Deferred tax asset on exchange differences on translation of foreign operations	339	6,654
	34,466	20,356

Deferred tax recorded in interim consolidated statement of comprehensive income is calculated by applying 9% UAE CT rate on unrealised gain for investments carried at FVTOCI and foreign translation adjustments recorded in other comprehensive income.

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

15 INCOME TAX (CONTINUED)

Liabilities

	<i>30 June 2025 AED'000' (Unaudited)</i>	<i>31 December 2024 AED'000' (Audited)</i>
Income tax payable	101,442	59,786
Deferred tax liabilities	87,211	51,769
Deferred tax asset	9,179	8,368

Reconciliation of accounting income

	<i>Six month period ended 30 June</i>	
	<i>2025 AED'000 (Unaudited)</i>	<i>2024 AED'000 (Unaudited)</i>
Profit before tax	553,108	458,688
Effective tax rate	12.25%	11.79%
Income tax expense for the period	(67,783)	(54,101)
Adjustment of corporate tax on non-qualifying income (Major component being dividend income)	17,681	10,932
Income tax for the period	(50,102)	(43,169)
Deferred tax	(472)	-
Total tax expenses recognized in profit and loss	(50,574)	(43,169)

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected annual earnings. The Group entities operate in the Sultanate of Oman, Egypt, Syria, Turkey and Sri Lanka and are subject to income tax in these countries. Effective tax rate represents average tax rate for Group.

The tax expense for the period ended 30 June 2025 is AED 50,574 thousand (30 June 2024: AED 43,169 thousand) driven by the introduction and adoption of Top-up Tax on Multinational Enterprises with effect from 01 January 2025. The Effective Tax Rate ("ETR") is 12.25% (30 June 2024: 11.79%).

16 FINANCIAL RISK MANAGEMENT

Aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements for the year ended 31 December 2024.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

17 CAPITAL RISK MANAGEMENT

The solvency regulations identify the required Solvency Margin to be held on consolidated basis in addition to insurance liabilities.

As per Article (8) of Section 2 of the financial regulations issued for insurance companies issued by the CBUAE (formerly the “Insurance Authority”), the Group has to maintain a solvency margin. The Group has incorporated in its policies and procedures the necessary procedures to ensure continuous and full compliance with such regulations.

The table below summarises the consolidated Minimum Capital Requirement ("MCR"), Minimum Guarantee Fund and Solvency Capital Requirement of the Group and the total capital held to meet the required Solvency Margins in line with the requirements of the UAE Insurance Authority. The Group has disclosed the solvency position for the immediately preceding period since the solvency position for current period is not yet finalised. Below numbers are presented in line with CBUAE requirements and are not in line with IFRS. These numbers are unaudited and unreviewed.

	<i>31 March 2025 AED'000</i>	<i>31 December 2024 AED'000</i>
Minimum Capital Requirement (MCR)	100,000	100,000
Solvency Capital Requirement (SCR)	1,126,363	1,188,207
Minimum Guarantee Fund (MGF)	521,708	500,644
Basic Own Funds	3,312,390	2,490,626
MCR Solvency Margin Surplus	3,212,390	2,390,626
SCR Solvency Margin Surplus	2,186,027	1,302,419
MGF Solvency Margin Surplus	2,790,682	1,989,982

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

18 SEGMENT INFORMATION (UNAUDITED)

	<i>General insurance</i>		<i>Life insurance</i>		<i>Total</i>	
	<i>For the six month period ended 30 June</i>		<i>For the six month period ended 30 June</i>		<i>For the six month period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Insurance service result from insurance contracts issued	1,768,516	(963,113)	56,877	50,565	1,825,393	(910,388)
Net (expense)/ income from reinsurance contracts held	(1,516,878)	1,114,323	(28,001)	(12,145)	(1,544,879)	1,102,178
Insurance service result	251,638	151,210	28,876	38,420	280,514	191,790
Investment Income – net					354,903	374,231
Net insurance finance expenses					(58,405)	(81,251)
Other operating income					17,737	9,249
Other operating expenses					(41,641)	(35,331)
Profit before tax					553,108	458,688
Income tax expense					(50,102)	(43,169)
Deferred tax expense					(472)	-
Profit for the period					502,534	415,519

Geographical disclosure is not presented as majority of the revenue is earned from UAE.

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 (Unaudited)

18 SEGMENT INFORMATION (CONTINUED)

30 June 2025 (Unaudited)

Amounts in AED '000

	<i>Non-Life insurance</i>	<i>Life insurance</i>	<i>Total</i>
Segment assets	13,976,227	2,926,654	16,902,881
Segment liabilities	8,716,317	2,528,214	11,244,531

31 December 2024 (Audited)

Amounts in AED '000

	<i>Non-Life insurance</i>	<i>Life insurance</i>	<i>Total</i>
Segment assets	13,068,076	2,603,191	15,671,267
Segment liabilities	8,183,285	2,280,653	10,463,938

19 CONTINGENT LIABILITIES

As at 30 June 2025, guarantees, other than those relating to claims for which provisions are held, amounting to AED 26,554 thousand (31 December 2024: AED 89,702 thousand), had been issued on behalf of the Group by its banker in the ordinary course of business.

The Group, in common with the majority of insurers, is subject to litigation in the normal course of its business. Based on independent legal advice, management does not believe that the outcome of these court cases will have an impact on the Group's profit or financial condition.

20 SUBSEQUENT EVENTS

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

21 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by Board of Directors and authorized for issue on 6 August 2025.