



Integrated Report 2025



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01

STRATEGIC OVERVIEW

About the Report

We are pleased to present Al Wataniah Insurance's (AWICO) fifth Integrated Report, which reports on our sustainability performance for the period from 1 January 2025 to 31 December 2025. This report reflects our continued commitment to transparent, responsible, and integrated reporting, and builds on our established practice of annually disclosing our sustainability performance.

This Integrated Report provides a consolidated view of how sustainability is embedded across our strategy, operations, and decision-making processes. It demonstrates how we create long-term value by balancing financial performance with environmental, social, and governance considerations.

Reporting Framework

Our Integrated Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021 and aligns with ADGA's sustainability requirements and Abu Dhabi's sustainability vision.

In preparing this report, we have adopted five core principles. Our principles guide us to identify, manage, and report on our material topics, and ensure that our disclosures provide a balanced and credible representation of our performance and progress. Through this Integrated Report, we aim to provide stakeholders with clear insight into our sustainability approach, key outcomes, and the way we are strengthening resilience and long-term value creation in a dynamic and evolving operating environment.

Reporting Period and Frequency

We are committed to transparently communicating our sustainability initiatives on an annual basis. The 2025 Integrated Report provides a comprehensive overview of AWICO's Environmental, Social, and Governance (ESG) performance for the period from 1 January 2025 to 31 December 2025, along with highlights of our previous ESG achievements. The Integrated Report aligns with our financial reporting year, which follows the calendar year format.



Reporting Boundary

This Integrated Report covers AWIC's overall environmental, social, governance, and economic performance across its operations. The reporting boundary includes: AI Watiba Insurance Company's activities conducted through its head office in Abu Dhabi, primary branches in Dubai and Al Ain, and its six satellite offices.

Feedback

We highly value feedback from all stakeholders and encourage them to share their insights, questions, or requests for clarification regarding this Integrated Report or its contents. Stakeholders are invited to provide feedback or raise inquiries using the contact details below.

Email: customers@awic.com Tel: 800 56 6060

Assurance

This Integrated Report has not been subjected to external assurance. However, we have established internal processes and procedures to collect, validate, and evaluate data related to ESG parameters. Looking ahead, we aim to seek independent assurance for our sustainability reporting to further strengthen the credibility and robustness of our disclosures.

Restatements of Information

There were no restatements, revisions, or corrections to previously reported information during the 2025 reporting period.

Forward-Looking Statements

This Integrated Report includes forward-looking statements covering areas such as financial position, business strategy, and management plans. These statements may be identified using terms such as 'believes', 'expects', 'may', 'will', 'plans' and 'outlook'. Such statements are based on reasonable assumptions and information available at the time of reporting and are not intended as guarantees of future performance. Actual outcomes may differ materially due to a range of factors. AWIC does not undertake any obligation to update or revise forward-looking statements to reflect new information, future events, or unforeseen developments.



Leadership Messages



Chairman's Statement

When I reflect on what this company has achieved over the past three years, what stands out is not any single result. It is the consistency of the decisions behind them. Choosing rigour over volume. Choosing resilience over speed. Growth, insurance, is easy to manufacture and difficult to sustain. In 2025, that consistency produced results we can present with confidence.

Against a backdrop of continued economic momentum in the UAE, Al Watifa National Insurance Company PSC delivered a year of disciplined progress. The market continues to evolve with higher regulatory standards and increasing focus on financial strength and claims performance.

Our 2025 results reflect thoughtful choices made over recent years: disciplined underwriting, portfolio management, and efficient capital rationing.

Gross written premium reached AED 908 million, up 71% year on year. Insurance revenue exceeded AED 741 million, while net profit after tax increased to AED 94 million, up 156%. This growth has been achieved alongside improving operating quality.

Our balance sheet remains strong. Total assets exceeded AED 2 billion, and shareholders' equity reached AED 1.26 billion. We continue to promote the quality, liquidity, and resilience of capital as the foundation of sustainable growth.

As part of our diversification strategy, AlWafC entered the Lloyd's of London market in 2025, with operations becoming effective in 2026. This positions the Company within a disciplined global insurance platform and supports the development of technical capability over time.

Looking ahead, our direction is clear. Mission 2027 aspiration is a top line of AED 2 billion, with people, process and systems being key

pillars. These ambitions are aligned with the UAE's economic growth and a regulatory environment that continues to strengthen industry standards.

We remain mindful of a dynamic operating environment. Competitive intensity, claims volatility, and regulatory developments require continued discipline in underwriting and capital allocation. We will continue to strengthen the quality and flexibility of our capital base in support of future growth.

We approach the future with confidence, but not complacency. Our focus remains on disciplined execution, strong capital management, and long-term value creation.

The results of this year are encouraging. The responsibility ahead is greater. We remain committed to building AlWafC with discipline, resilience, and clarity of purpose.

Sheikh Sartbin Mohamed bin Shuaib
Al Kaibed

Chairman
Al Watifa National Insurance Company PSC

AWNIC at a Glance

We are Al Waraha Insurance Company ("AWNIC" or "Al Warha"), a national insurance provider headquartered in Abu Dhabi, United Arab Emirates. Since our inception in 1996, we have established a strong market presence by offering a comprehensive portfolio of insurance products and services designed to meet the needs of both individual and corporate customers. Our focus remains on customer satisfaction, innovation, and delivering reliable insurance solutions across the UAE.

Business Snapshot



Vision

We aim to be the most trusted and innovative insurance provider in the UAE, empowering individuals and businesses with comprehensive solutions that safeguard their future and enhance their quality of life.



Mission

We deliver exceptional insurance services by prioritizing customer needs, maintaining high standards of quality and integrity, and continuously innovating to address the evolving challenges of a dynamic environment. We are committed to fostering growth, collaboration, and excellence while building lasting relationships with our customers and stakeholders.



Values

To continuously provide first-class security and comfort through innovative and digitally empowering solutions.



Customer
Centricity



Service
Quality



Growth
Mindset



Innovation



Integrity

Our Business Footprint and Value Proposition

We operate through three branches and six satellite offices, with our head office in Abu Dhabi and primary branches in Dubai and Al Ain, supported by AMWCO Online Smart Services, brokers, and agents. Motor insurance represents a major line of business, contributing 56% of revenue. Our value proposition is anchored in enriched insurance offerings with upgraded supplementary benefits, an omni-channel customer engagement approach, strategic market alliances, and the AMWCO Privilege Club loyalty program, providing policyholders with preferential access and rewards across the UAE. We continue to focus on strengthening service quality, advancing digital capabilities, and maintaining standards that reinforce trust and long-term value creation.



Our Unique Value Proposition

Our unique value proposition is anchored in delivering enhanced insurance solutions supported by differentiated benefits, strong partnerships, and an integrated omni-channel service model. This approach enables us to create a seamless, value-driven experience across the customer journey.



Enhanced Supplementary Benefits

Replacement Vehicle
Ruin in replacement vehicle support to minimise customer disruption

Roadside Assistance
On-ground assistance services to enhance reliability and convenience

Registration Service
Support with vehicle registration processes

International Driving License
Access to international driving license services



Omni-Channel Customer Touchpoints

Customer Care
Dedicated Customer Care Centre (CCC)

Digital Platforms
Online platform and mobile application

Physical Presence
Branch presence across the UAE



Strategic Partnerships and Alliances

Etihad Miles Program
Integrated rewards and mileage benefits

FAB EPP
Payment flexibility through employer-linked programs

AQCB Touchpoints
Banking-led engagement and accessibility

Tap to Buy
Buy Now, Pay Later option



AWWIC Privilege Club (Loyalty Program)

Partner Network
Over 60 partners across the UAE

Customer Benefits
Preferential rates and exclusive redemption offers

Loyalty Mechanism
Points accumulate through referrals or purchases

*We are offering insurance products in the UAE in accordance with applicable regulations.

Sustainability Commitment

We have demonstrated long-standing leadership in sustainability by being the first insurer in the UAE to publish a Sustainability Report in 2019. Our sustainability disclosures are aligned with the ADX ESG Disclosure Guidance 2019 and support national priorities under the UAE National Vision 2021 and Abu Dhabi Economic Vision 2030. Sustainability considerations are embedded within our corporate strategy, supported by defined indicators and targets to guide performance and accountability.

WHIC is committed to embedding sustainability across its business strategy and investment decisions, integrating it seamlessly into our operations. This commitment is reflected in our clearly defined quantitative targets, key performance indicators, and transparent performance reporting.

As our organisation grows and adapts to evolving market dynamics, these metrics will continue to develop in line with emerging priorities and opportunities. Our objective is to create long-term value by balancing stakeholder interests, delivering performance aligned with industry benchmarks, and strengthening resilience in an increasingly dynamic global environment.

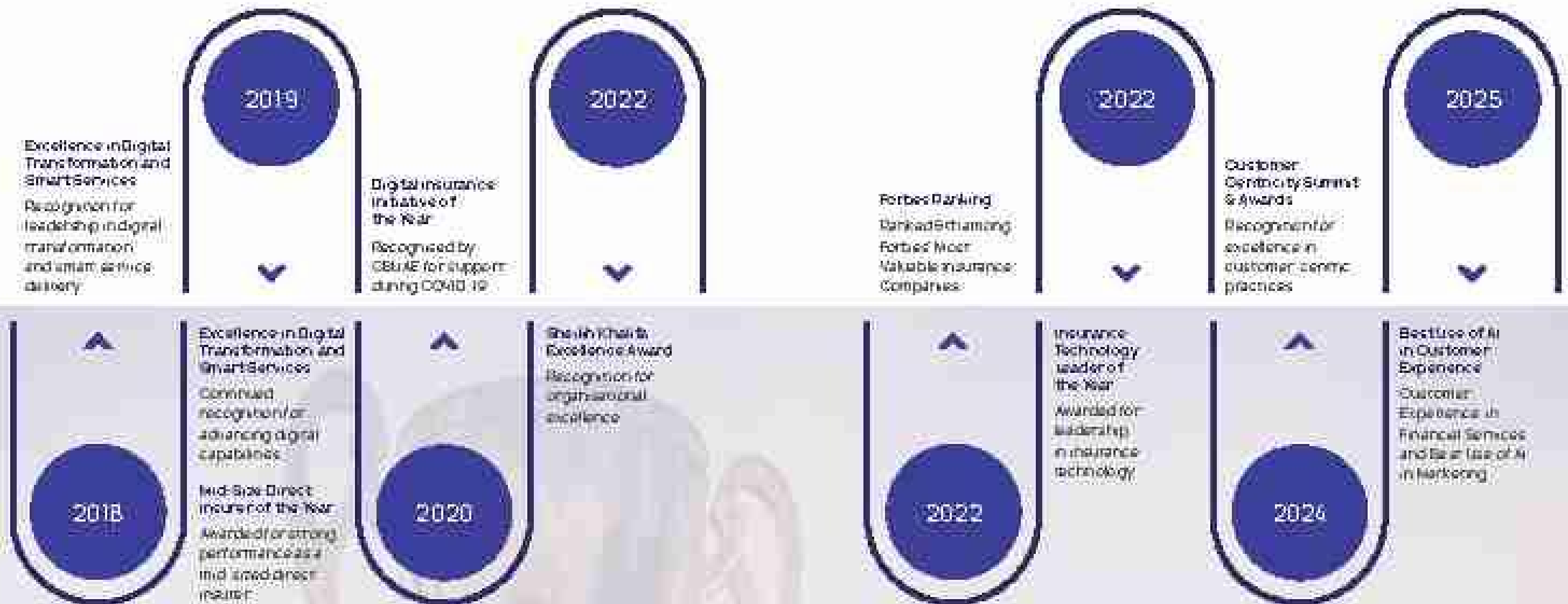
Adopted Principles



Sustainability Performance



Awards and Accolades



Value Creation Model: Our Strategic Framework

At Al Wadha National Insurance Company (AWNIC), value creation is not a static outcome but a continuous cycle. We convert our capital into long-term security for our clients and sustainable growth for the UAE. Our model is built to navigate complex national environments while ensuring that every policy written and every investment made contributes to the broader stability of our national economy. We do not just manage risk; we provide the confidence necessary for individuals and businesses to thrive.

Our Foundation

To be the most trusted and innovative insurance partner in the UAE, recognised for our reliability and forward-thinking approach.

To protect the interests of our stakeholders through tailored insurance solutions, disciplined underwriting, and a commitment to service excellence.



Core Credit and Capabilities

Our strength lies in our financial solidity and technical expertise. With a strong credit profile and a deep understanding of the local market, we maintain the liquidity necessary to meet our obligations promptly. Our core capabilities include:



Product Segments

Individual Solutions

We provide a safety net for the UAE's residents. From motor and home insurance to specialised personal accident cover, our individual products are designed to protect the assets and well-being of the community. We focus on accessibility, using digital platforms to make insurance simple and transparent for every policyholder.

Motor Insurance



Travel Insurance



Jet Ski Insurance



Yacht Insurance



Home Insurance



Pet Insurance



Work/Via Insurance



Corporate Solutions

AViA serves as a strategic partner to the UAE's business sector. By mitigating the financial impact of unforeseen events, we enable corporations to focus on their operational goals and contribute to the nation's industrial and commercial growth.

Fire and general insurance



Fleet Insurance



Offshore Energy



Marine and Aviation



Digitalising



Our leadership team brings decades of regional expertise and a disciplined approach to governance. We prioritise long-term stability over short-term gains, ensuring that AViA remains a dependable entity regardless of market volatility. This executive focus allows us to execute our strategy with precision and maintain the trust of our shareholders and regulators.

Corporate Compliance



ESG risks, Opportunity and Performance



Digitalisation



Sustainable Goals to protect Costs



Critical Business Processes



Cyber Security



Regulatory updates and compliance



Reinsurance

Recognising the risks inherent in insurance operations and their potential implications for society and the environment, we integrate ESG considerations into our strategic framework to support sustainable growth. Our reinsurance approach reflects this commitment by bringing together business partners, AViA employees, and the community to strengthen risk management and resilience.

This philosophy is implemented through our Reinsurance and Treasury functions, which act as key safeguards for our financial stability. Through reinsurance, we collaborate with leading global reinsurers to manage risk exposure and expand our underwriting capacity, helping protect our capital against high-severity events. In parallel, our Treasury function focuses on disciplined capital allocation, ensuring that our investment portfolio delivers stable returns while maintaining the liquidity required to support operational resilience and long-term sustainability.

Performance Highlights

At Al Muthana National Insurance Company, our approach to value creation is guided by responsible environmental management, strong social commitments, and a robust governance framework that supports sustainable and ethical business practices.

Environmental

We recognize the increasing risks associated with climate change and are committed to minimizing our environmental footprint. Our efforts focus on the responsible use of energy and water resources, the implementation of waste recycling initiatives, and the promotion of environmentally responsible products within our value chain. Through these actions, we seek to reduce environmental impact while aligning our operations with broader sustainability principles.

Environmental Focus Area



Social

We promise building a secure and inclusive workplace that upholds human rights, non-discrimination, and ethical conduct. These principles are embedded within our Code of Conduct and support policies, guiding how we engage with employees and prohibit discriminatory practices including child and forced labor. By maintaining fair and equitable practices, we aim to contribute positively to the communities in which we operate and create a workplace environment that supports respect, inclusion, and accountability.

Stakeholder Group	Performance Metric	Value for 2024
Customers	Customer Satisfaction Score	95.0%
	Response Rate	92.0%
	Online Conversion Rate	75.5%
Employees	Environ Employee Count	52
	Environisation Rate	24.4%
	Female Presence	35.0%
	Attrition Rate	9.0%
	New Employees Hired	67
	Number of Nations Aided	7
	ESAT (Employee Satisfaction)	4.03 out of 5



Governance

Our governance framework reinforces responsible business conduct and strong stakeholder relationships. Through comprehensive compliance policies and adherence to regulatory requirements, we maintain high standards of integrity across our operations. This approach ensures that our business practices remain transparent, accountable, and aligned with the expectations of regulators, partners, and policyholders.

Performance Area	Performance Metric	Value by 2025
Financial Strength	Total Assets	AED 2 billion
	Total Equity	AED 1.2 billion
	Insurance Service Revenue	AED 781 million
	Net Insurance Income	AED 155 million
	Return on Equity	8%
	Asset to Liability Ratio	253%



Stakeholder Engagement

At Al Wamda National Insurance Company, engaging with stakeholders is essential to understanding both internal and external perspectives and addressing material issues effectively. We maintain continuous dialogue with our stakeholders through multiple channels to gather feedback, improve our services, and align our operations with stakeholder expectations. This structured engagement enables us to strengthen relationships, enhance transparency, and support informed decision-making across our business.

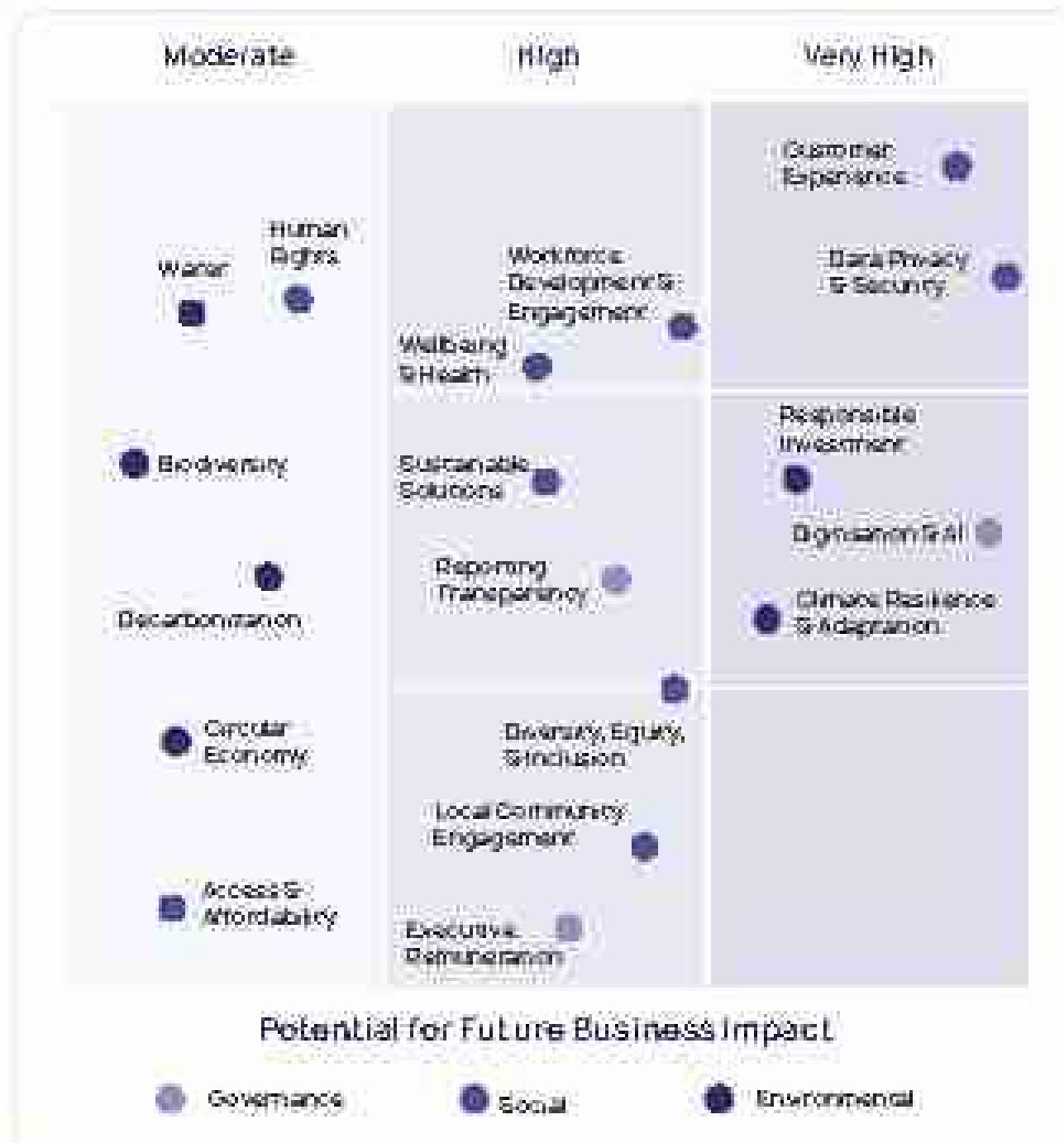
 Employees We actively listen to employees' suggestions, opinions, and feedback to improve workplace conditions, foster a safe and healthy environment, and ensure employee satisfaction and growth. Channels: Internal communication Employee surveys Feedback forms Training and development programs	 Customers Our customer engagement focuses on understanding their needs, providing excellent service, and addressing their concerns promptly and effectively. Channels: Customer service hotlines Email support Social media In-person consultations	 Suppliers and Business Partners We collaborate with suppliers and business partners to ensure effective communication, mutual growth, and high-quality service. Channels: Regular meetings Joint ventures Shared resources
 Shareholders and Investors Regular engagement ensures that shareholders and investors are informed about our financial performance, strategic direction, and business opportunities. Channels: Annual General Meeting Investor relations Financial reports Shareholder portal	 Regulatory Authorities, Media, Society and Others Engagement with regulatory bodies, media, and society ensures compliance, transparency, and responsible business practices. Channels: Regulatory filings Media releases Public consultations Community outreach CSR initiatives	 Industry We engage with industry associations and peers to share knowledge, best practices, and collaborate on industry initiatives. Channels: Industry conferences Trade shows Joint ventures Collaborative projects

Materiality Assessment

The materiality assessment helps identify the environmental, social, and governance topics most relevant to business strategy and stakeholder expectations. By engaging both internal and external stakeholders and mapping their perspectives through a structured matrix, key issues with the greatest impact on economic, environmental, and social performance are identified. This process enables a clear understanding of stakeholder priorities, highlights potential risks and opportunities, and supports the integration of these insights into strategic decision making and sustainability planning.

Integrating ESG into Our DNA

ESG considerations are integrated across key business functions to support responsible operations, strengthen stakeholder relationships, and align with national sustainability priorities. This approach ensures that environmental responsibility, social commitment, and governance practices are embedded into operational decision making, underlying investment activities, and stakeholder engagement.



AWNIC's Operating Environment

Our Operating Environment

We operate within a dynamic insurance environment shaped by evolving regulations, technological advancements, and increasing stakeholder expectations. This section outlines how we manage our operating context, with a focus on the regulatory landscape governing the UAE insurance sector and its implications for our strategy, operations, and risk management approach.

Our Regulatory Environment

The UAE insurance sector is governed by a structured and evolving regulatory framework overseen by Central Bank of UAE. The regulations collectively aim to ensure financial stability, strengthen governance, protect policyholders, and promote market confidence.

UAE Federal Law No. 1

This law established the foundational structure of the UAE federal government by defining the roles and powers of ministries and federal authorities. It provides the institutional framework within which economic, financial, and insurance policies are developed and implemented, forming the basis for regulatory oversight across sectors, including insurance.

1972

This law strengthened the regulatory framework for insurance operations by introducing stricter requirements around governance, solvency, risk management, and capital adequacy. It marked a significant step in enhancing market stability and protecting policyholders across the UAE insurance sector.

1994

UAE Federal Law No. 6

UAE Federal Law No. 9

(Insurance Companies and Agents)

This law laid the early regulatory foundation for the insurance sector by introducing requirements related to licensing, operations, and supervision of insurance companies and agents. It played a key role in making insurance market practices and influencing subsequent legislation governing financial services in the UAE.

2007

In 2008, the Central Bank of the UAE expanded its regulatory role to include insurance supervision, strengthening broader financial system oversight. During this period, the CBUEF introduced measures to safeguard financial stability, strengthen consumer protection, enhance AML/CFT controls, and support resilience through financial and regulatory arrangements.

2020

Central Bank of the UAE Regulatory Framework

AMMCO operates within a well-defined and closely supervised regulatory environment governed by the Central Bank of the UAE and other federal authorities. This framework is designed to promote financial stability, strengthen risk management, enhance transparency and protect policyholders.

During the reporting period, AMMCO continued to monitor regulatory developments closely, assess their operational impact, and take timely actions to ensure compliance while maintaining business continuity and service quality.

Key Regulatory Requirements and Compliance Status

Regulation / Notice	Effective Date	Compliance Status	Actions Taken
Financial Reporting and External Audit Regulation for Insurance Companies	10-Apr-26	Complied	Updated the External Audit Policy, appointment of the external auditor, aligned with the new regulatory requirements.
Open Finance Regulation	15-Apr-26	In progress	Open finance consent form approval currently in progress.
Payment Token Services Regulation	21-Aug-26	Not Applicable	AMMCO is not involved in digital payment token services.
Recovery Planning Regulation	10-Jun-26	Complied	Recovery plan submitted to the CBUAE by 30-Apr-2026.
UAE Information Assurance Regulation	21-Jun-26	Complied	Required self-assessment for FY2026 submitted on 02-Jan-2026.
Insurance Broker's Regulation	15-Feb-26	In progress	IT system changes for payment gateway implementation are underway.
Credit Risk Management Regulation and Standards	10-Nov-26	In progress	Credit risk policy and framework are being updated.
Fitness and Propriety Regulation and Standards	11-Oct-26	Complied	Approval requests submitted to the CBUAE in line with regulatory requirements.
CBUAE Ad hoc Data Requests and Notices	Continuous	Complied	Data related to claims, R&I / OIT, customer factoring, and other requests shared within stipulated timelines.



Guiding Frameworks and Guidelines

Reporting Frameworks	National Guidelines	International Guidelines
	Securities and Commodities Authority (SCA) Obligations	 

Our Business Environment

The UAE insurance market continues to evolve as a highly competitive and fast-changing environment, shaped by regulatory reform, climate-related risks, and rapid technological advancement. Insurers are required to remain agile while strengthening resilience, compliance, and customer-focused delivery.

AWAC recognizes this evolving landscape and has undertaken focused initiatives to navigate emerging challenges while strengthening operational resilience and long-term value creation.

IFRS 17 Implementation

AWAC navigated the transition to IFRS 17 by strengthening financial reporting frameworks and aligning internal systems and processes with updated regulatory and disclosure requirements.

Climate Change Impacts

AWAC responded to increased climate-related risks by maintaining service continuity and managing financial exposure through robust resilience arrangements and disciplined risk management practices.

Internet of Things (IoT) and Technology Shifts

AWAC adapted to emerging technology-driven regulatory expectations by reviewing business practices and product structures to remain aligned with evolving market and supervisory requirements and disciplined risk management practices.

Our Technological Environment

We operate in a rapidly evolving technological environment where digital innovation is reshaping the UAE insurance market. This section outlines key technology-driven changes in the market, how we are responding to remain competitive, the associated risks, and the opportunities arising from the expansion of our digital capabilities. We observed several technological developments that are transforming the insurance sector in the UAE, particularly through the integration of advanced digital solutions.



Cloud native platforms

Wider adoption of cloud native platforms to improve agility and scalability.



AI driven tools

Increased use of AI driven tools to enhance customer engagement and service delivery.



Machine learning

Growing application of machine learning for risk assessment, fraud detection, and underwriting efficiency.



Data analytics

Expanded use of data analytics to support product innovation and data led decision making.

Digital Infrastructure

Our digital ecosystem is anchored in a set of core technology pillars that support operational resilience and customer centric delivery. These include cloud native platforms that enable agility, faster deployment, and scalable growth; artificial intelligence to strengthen customer support, streamline claims processing, and enable personalised interactions; machine learning to analyze historical claims data for improved risk assessment, fraud detection, and underwriting accuracy; and data analytics to generate actionable insights that inform product innovation, targeted offerings, and effective risk management.

How We Are Staying Ahead

AWAC understands that to remain competitive in an increasingly digitalised marketplace, we continue to invest in technology, research, and development. Our focus areas include leveraging AI powered solutions to enhance customer experience and service efficiency; strengthening cybersecurity using next generation AI and ML tools in line with regulatory and market expectations; expanding digital platforms and mobile applications to simplify policy management and customer interactions; integrating advanced data analytics to better understand customer behavior and preferences; and exploring insurtech partnerships to accelerate innovation while safeguarding sensitive customer information.

Our Risk Environment

While AWAC adopts a cautious and well-governed approach to the use of technology, it recognises that inherent operational and compliance risks remain an integral part of a digitalised environment. Accordingly, the key risks and the corresponding mitigation measures are outlined below:

Type of Risk Identified	Description	Mitigation Strategies:
Cybersecurity Risks	Vulnerabilities in software that may expose the Company to cyberattacks, data breaches, or ransomware.	• Implement robust firewalls, encryption, and multi-factor authentication (MFA). • Conduct regular penetration testing and vulnerability assessments. • Train employees on cybersecurity best practices and phishing prevention. • Keep systems updated with the latest security patches.
Data Integrity Risks	Errors, corruption, or loss of data due to system malfunctions or weak data management practices.	• Use data validation and error-checking mechanisms. • Implement automated backups and data recovery solutions. • Regularly monitor and audit data for accuracy and consistency.
Vendor and Third-Party Risks	Risks arising from reliance on third-party software vendors, including service quality or security weaknesses.	• Conduct due diligence during vendor selection. • Include service level agreements (SLAs) to ensure accountability. • Regularly review vendor performance and security practices.
Compliance Risks	Failure to comply with regulatory requirements or software licensing obligations.	• Conduct periodic audits of software usage. • Monitor regulatory developments and implement required changes. • Use compliance management tools to track and report adherence.

Growth Opportunities

Expanding our digital capabilities presents significant opportunities to enhance customer experience, improve operational efficiency, and support sustainable growth in the UAE insurance market. Key opportunity areas include digital transformation, where technology is leveraged to streamline processes, personalise offerings, and strengthen customer engagement as a competitive differentiator. A continued focus on innovation, through the development

of solutions such as data-compliant insurance products, parametric insurance, and micro-insurance offerings to address diverse customer needs and cybersecurity insurance, which responds to rising cyber risks by offering relevant coverage, supported by the establishment of a Disaster Recovery Site, daily data backups, and strengthened business continuity and insurance arrangements.

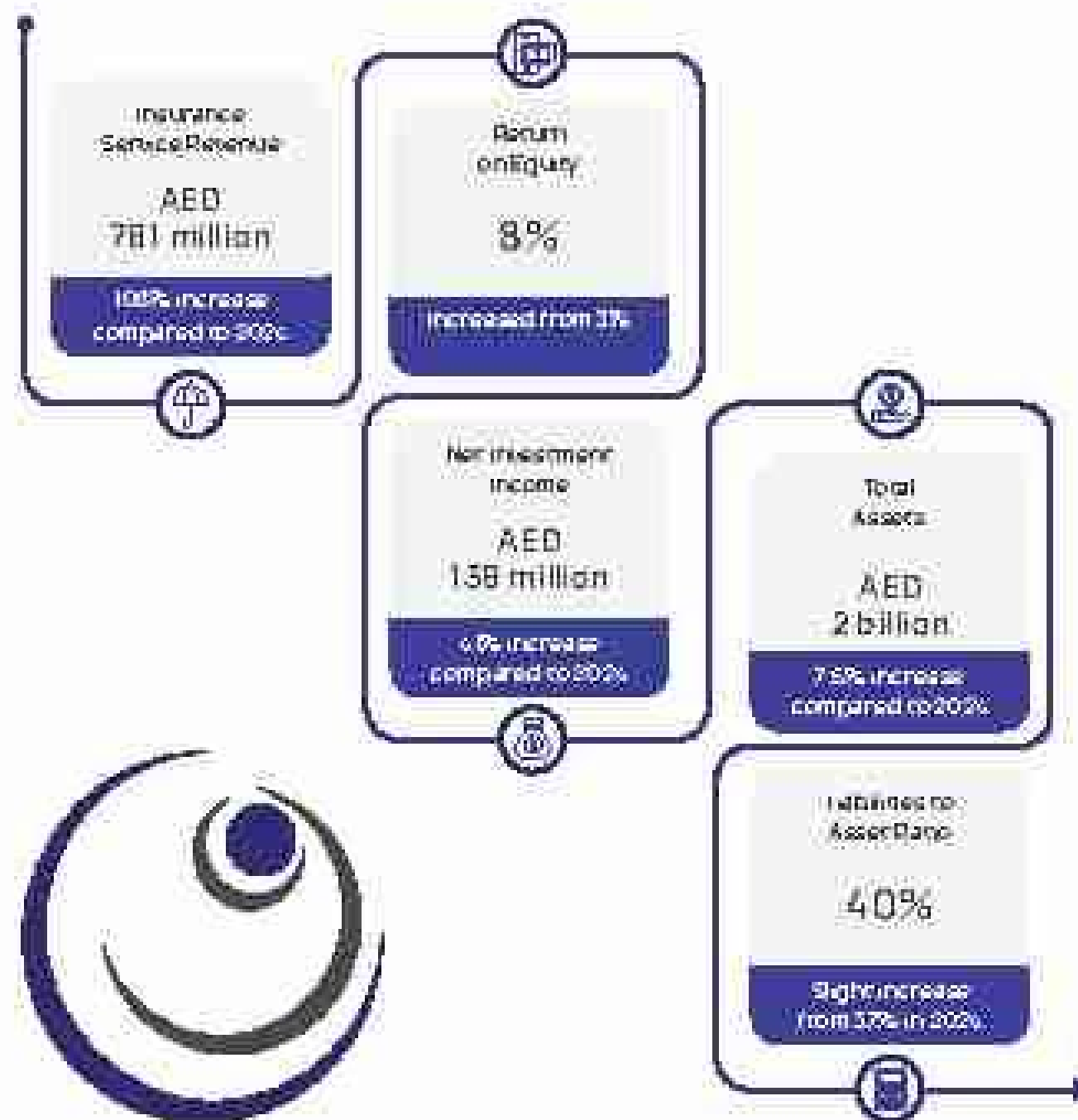




02 SUSTAINABILITY REPORT

Financial Capital

Financial Capital Highlights



Our financial performance reflects a comprehensive assessment of our ability to generate long-term value and maintain sustained growth. Throughout the year, we tracked key financial indicators and implemented targeted initiatives to strengthen revenue quality, operational efficiency, and capital resilience. For the year 2024, total insurance service revenue reached AED 781 million, demonstrating continued expansion across our portfolio. We remain focused on delivering sustainable returns to stakeholders while offering exceptional products and services to our customers.

Core Financial Results

Primary Performance Metrics

Metric (AED million)	2023	2024	2025
Insurance Service Revenue	185	176	181
Insurance Service Result	(15)	(12)	24
Net Investment Income	(22)	97	138
Profit Before Tax	177	159	101
Earnings Per Share (EPS)	0.86	0.88	0.46

Business Product Mix

Segment	2023	2024	2025
Motor	61%	56%	54%
Technical	6.9%	13%	16%
Health	N/A	10%	30%

Growth and Efficiency Analysis

The year-on-year comparison highlights changes in revenue composition and earnings outcomes across our portfolio. We continue to monitor these movements closely to ensure that growth remains balanced and aligned with our risk appetite. Our focus remains on maintaining stable performance while strengthening the quality and sustainability of income streams.

Gross insurance revenue growth indicates positive momentum across all segments, with Motor, Technical, and Health lines showing consistent year-on-year expansion and strengthening top-line performance over the reporting periods.

Gross Insurance Revenue Growth Rate

Segment	2023	2024	2025
Motor	(16%)	4.1%	9.0%
Technical	0%	6%	44%
Health	N/A	100%	311%

Net insurance service result growth reflects changes in underwriting performance across segments, highlighting improvements in select portfolios while indicating areas that require continued monitoring to maintain stable profitability.

Net Insurance Service Result Growth Rate

Segment	2023	2024	2025
Motor	(53%)	77%	158%
Technical	(11%)	5.6%	(48%)
Health	N/A	N/A	(57%)

Management and earnings ratios provide insight into productivity, profitability, and capital utilization. These indicators support informed decision-making and help us improve operational discipline across functions.

Management Ratios

	2023	2024	2025
Gross Risk Ratio	20%	11%	63%
Employee Wages & benefits as % of G&A	53%	47%	37%

Earnings Ratio

	2023	2024	2025
Return on Shareholders' Equity (ROE)	1.7%	3%	8%
Return on Assets (ROA)	0%	2%	5%
Investment Yield	5%	6%	8%

Maintaining a strong balance sheet remains a priority for us. We regularly assess capital adequacy and liquidity to ensure we can meet our obligations, absorb volatility, and sustain operations under different market conditions. A prudent approach to capital management supports both stability and long-term growth.

Capital Strength and Liquidity

Capital Adequacy

Equity to Asset

2023 2024 2025

32% 63% 60%

Liquidity Ratios

Assets to Liability Ratio

2023 2024 2025

150% 260% 253%

Cash Ratio

24% 12% 15%

Accounting Equation (AED '000)

Year

2023 2024 2025

Equity

1,220,000 1,197,673 1,236,300

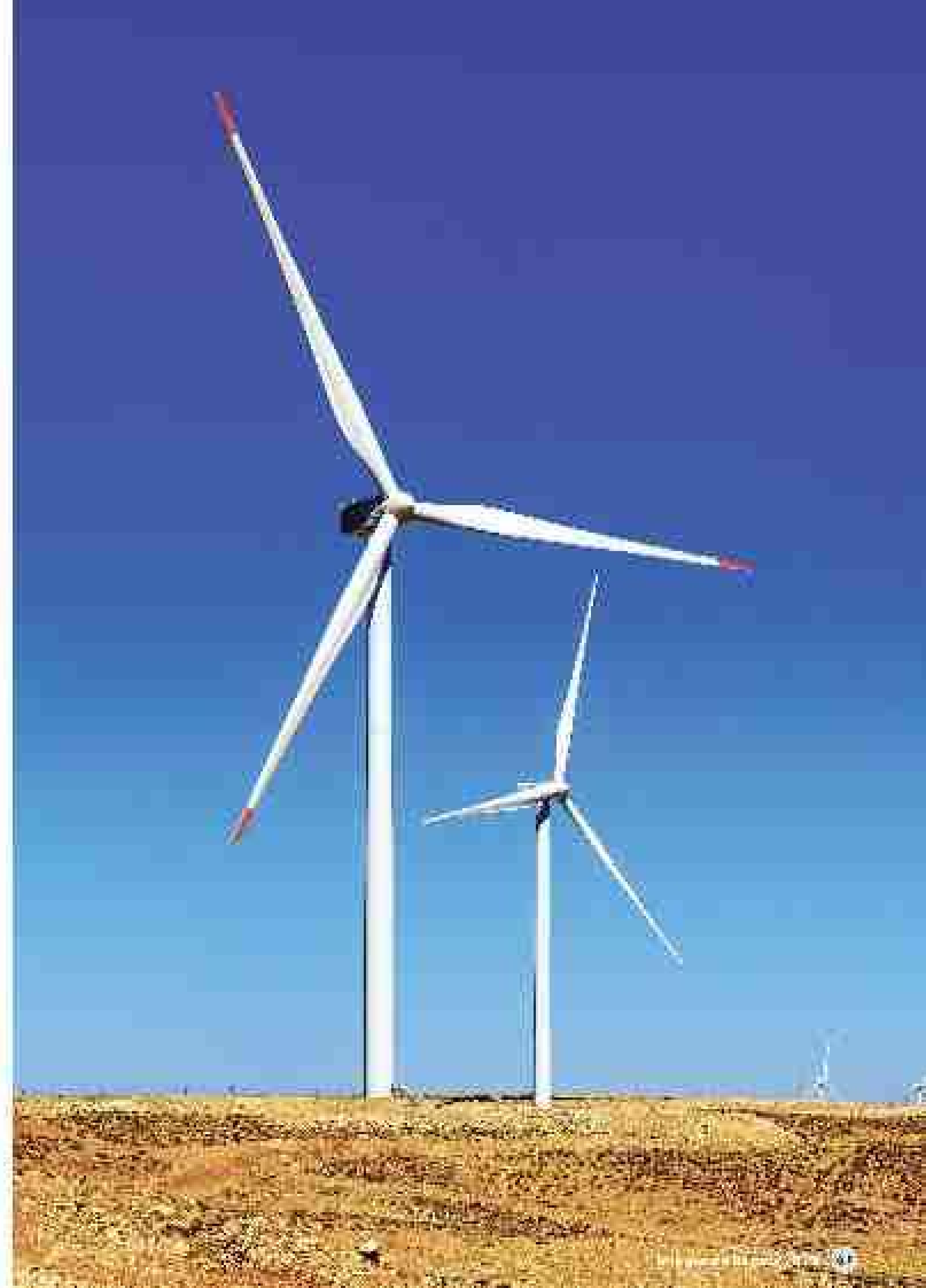
Liabilities

624,533 706,665 603,902

Total Assets

1,759,660 1,904,338 1,840,202

We continued to prioritize value distribution to shareholders. The dividend payout ratio decreased from 113% to 55% in 2025, while dividend per share increased from 0.2 to 0.25 in 2025.



Human Capital



Our People and Culture

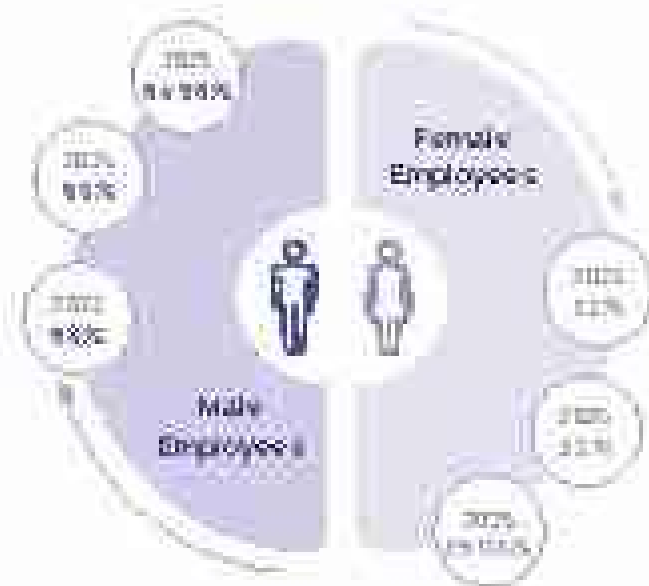
We cultivate a constructive work environment through employee engagement initiatives and continuous learning. As a responsible employer, we remain committed to building a workplace where our people feel valued, supported, and proud to contribute. Our goal is to be recognised as the company of choice not only by our stakeholders, but equally by our employees, through consistent investment in their growth, well-being, and experience.

Diversity and Inclusion

We are committed to building a workplace that reflects diversity, equity, and inclusion. We aim to ensure every employee feels appreciated and respected, while maintaining fair representation across gender, age groups, and nationalities. We regularly track our workforce composition to strengthen transparency and support balanced participation across our organisation.

Gender representation across our workforce is monitored annually to promote equitable opportunities. We encourage gender diversity through structured initiatives that promote inclusion, respect, and equal opportunity across our workforce. In recognition of International Women's Day, we organized a series of engagements, including celebratory events, inspirational message sharing, and peer-led appreciation activities, to acknowledge the contributions and achievements of women and to foster a positive and supportive workplace culture. We also marked Emirati Women's Day to specifically honour the achievements and leadership of Emirati women and their role in national and organisational development. These efforts align with the UAE's vision for women's empowerment and inclusive leadership, and we monitor gender representation annually to ensure equitable participation and continuous progress across all levels of our organisation.





We track age distribution across the workforce to ensure an appropriate balance of experience, continuity, and new talent.

Nationalities Working at LAWK

Nationality	2024	2023
Algerian	1	1
Bangladeshi	3	3
British	2	2
Egyptian	33	38
Emirati	15	12
Filipino	18	20
Indian	68	78
Iraqi	4	4
Jordanian	14	16
Lebanese	6	5
Moroccan	2	2
Palestini	0	18
Palestinian	0	2
Sri Lankan	1	2
Sudanese	0	4
Syrian	0	12
Yemeni	0	1



Employee Well-being

We place strong emphasis on employee well-being as a cornerstone of our organizational success. We provide our workforce with the resources and support required to maintain their physical and mental health and encourage active participation in initiatives that strengthen connection, morale, and shared purpose. Through structured programs and regular activities, we aim to create a workplace where employees feel valued, supported, and thrive. There were zero incidents of discrimination and zero work-related injuries were reported in 2025.

Healthcare and Well-being Initiatives

We promote preventive care and healthy lifestyles through awareness and participation-based programs.



We've Got You Back

We conducted on-site physiotherapy sessions to help prevent musculoskeletal strain, improve ergonomics, and provide early support for workplace-related injuries.

Blood Donation Drives

We facilitated voluntary blood donation drives with SEHA to support critical healthcare needs, enabling employees to contribute to life-saving efforts and demonstrate compassion and social responsibility toward the wider community.



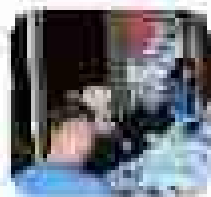
Flu Vaccination Days

We provided free seasonal flu vaccinations across our offices to reduce health risks, prevent the spread of illness, and protect overall workforce well-being and productivity.

Beat the Heat Campaign

We implemented hydration support, safety guidance, and awareness measures to mitigate heat-related risks and ensure safe working conditions during peak summer months.





Employee Wellness Checks and Health Camps

We organised preventive screenings with *Ahaka Hospital and Biochemics* and health camps to provide accessible medical consultations, enable early detection, and encourage healthier lifestyle choices among employees.

Breast Cancer Awareness Activities

We conducted awareness sessions and participated in community initiatives, including the *ADCB Pink Run*, to promote early screening, educate employees, and strengthen our collective commitment to women's health.



World Sight Day Vision Screenings

We delivered vision health screenings across all branches to encourage preventive eye care, support early diagnosis, and safeguard long-term employee wellbeing.

Self-Reflection and Personal Growth Webinar

We conducted a guided self-reflection webinar to support employees' mental wellbeing, mindfulness, and personal development. The session encouraged individuals to pause, assess their goals, recognise strengths, and identify areas for improvement, helping them build resilience and self-awareness in a fast-paced work environment. By creating space for introspection and growth, we strengthened employee engagement, emotional wellbeing, and a culture of continuous learning across the organisation.



Workplace Engagement and Recognition

We strengthen morale and alignment through regular forums and appreciation initiatives.



Monthly Birthday Celebrations

Recognise individual contributions and build a sense of belonging.



Yearly Corporate Town Hall Meetings

Encourage open dialogue and align employees with vision and goals.



Continuous Engagement Activities

Ongoing programs maintain team connection and workplace satisfaction.

Cultural and Festive Celebrations

We celebrate cultural occasions to promote inclusion and shared values across our diverse workforce.



UAE Rag Day Event

Commemorative gatherings celebrated the UAE's heritage, unity, and national achievements, strengthening employees' connection to the country's values and fostering collective pride.

Ramadan Iftar Gathering

During the holy month, we combined community outreach with an employee iftar gathering to promote generosity, cultural understanding, and social cohesion. The initiative reflected Islamic values of compassion while strengthening unity and shared purpose across the workforce.

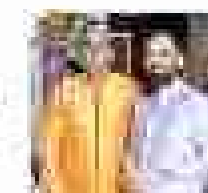


Cultural Diversity Day

Interactive activities encouraged employees to showcase their traditions and identities, promoting cross-cultural dialogue, inclusion, and collaboration within one of the world's most diverse workplaces.

Festival Celebrations

We celebrated the cultural diversity of our workforce by observing *Chai, Diwali, and Easter* through inclusive and festive engagements that honoured the traditions of our Indian and Christian communities. These shared celebrations created opportunities for employees to connect, appreciate different cultural heritages, and learn from one another. Through these activities, we strengthened mutual respect, fostered belonging, and reinforced a workplace culture built on inclusivity and multicultural harmony.



Workforce Communication

At *AlWadi*, we foster an open and transparent communication culture that encourages regular dialogue between employees and senior management. Through structured discussions and accessible feedback channels, employees can share ideas, raise concerns, and contribute to decision-making, strengthening trust, alignment, and engagement across the organisation.

We also support seamless information flow through our internal portal and self-service mobile application. These tools keep employees connected and provide easy access to key updates, including health and safety protocols, training opportunities, wellness programs, and HR-related information.



Employee Participation and Ideas

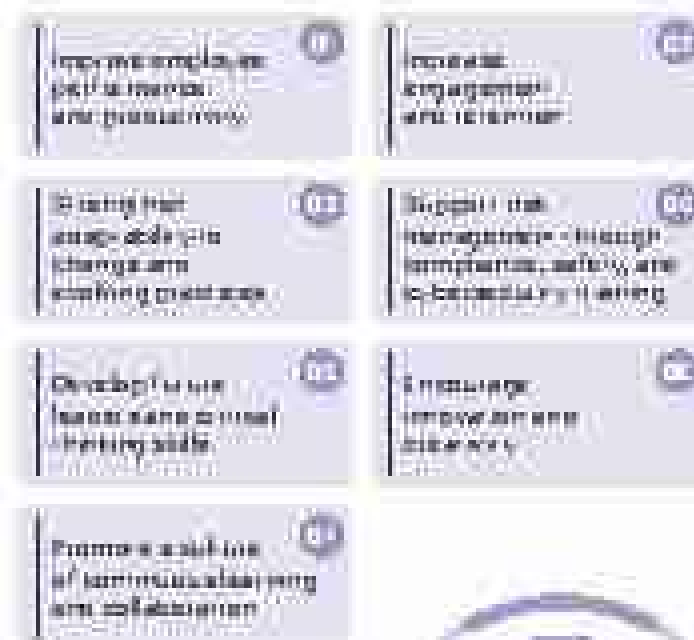


We encourage employee participation by creating opportunities for our people to engage beyond their day-to-day roles and strengthen workplace connections. Through Sector Santa activities organised across our locations, we provided a simple yet meaningful platform for employees to interact, exchange appreciation, and celebrate together. These engagements fostered teamwork, boosted morale, and reinforced a positive, inclusive, and connected workplace culture.

We also organised a Giantthread House Competition at the Head Office as a holiday-themed creative activity to encourage teamwork and collaboration. The initiative provided employees with a fun and engaging platform to work together, strengthen relationships, and build a positive festive spirit within the workplace.

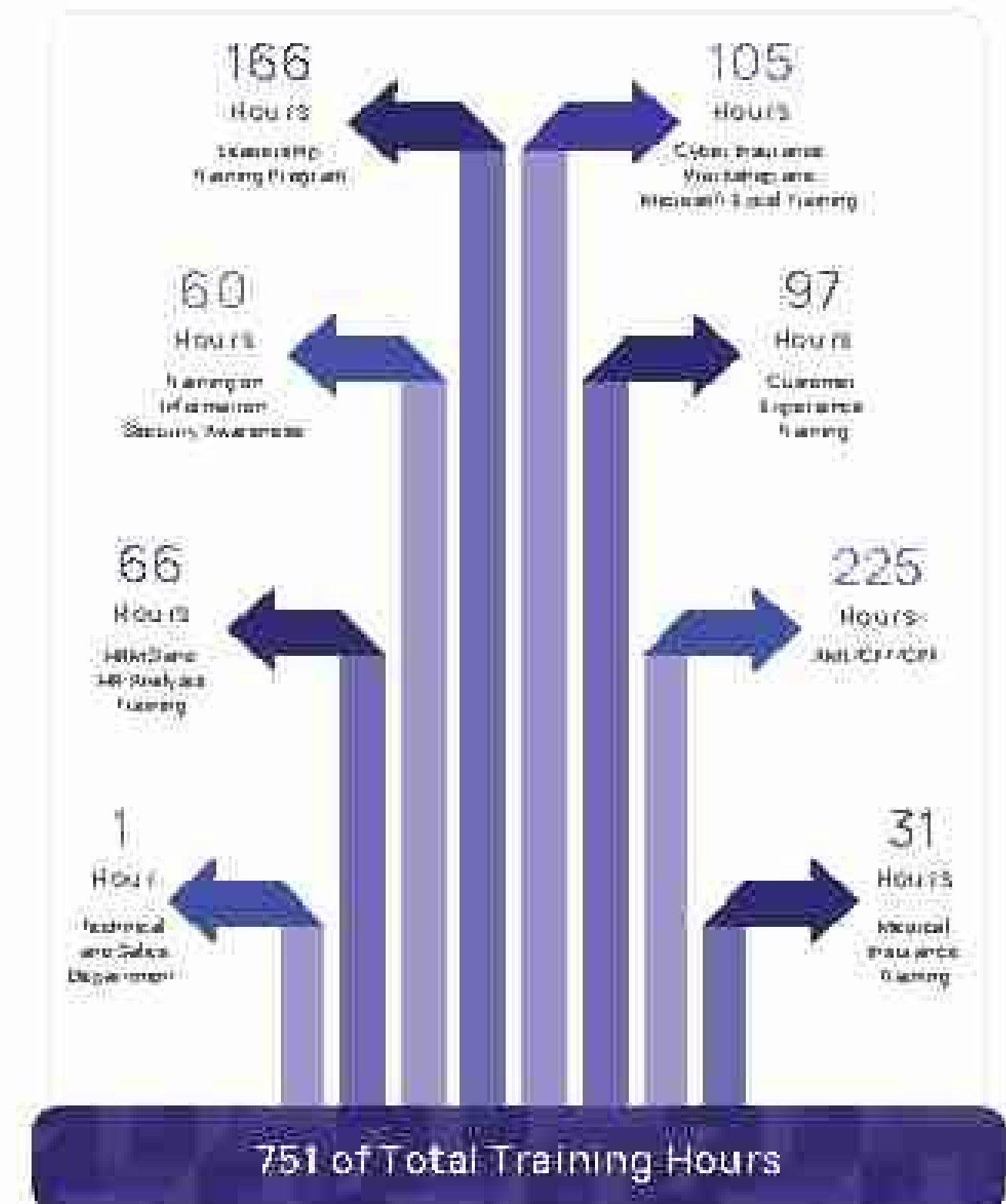
Training and Development

We invest in continuous training and development to strengthen employee capability, engagement, and long-term performance. Our programs equip employees with the knowledge and skills required to perform their roles effectively, adapt to changing business needs, and contribute to a resilient and high-performing organisation. Through structured learning, we support productivity, retention, leadership readiness, and a culture of continuous improvement. Our training initiatives are designed to enhance both technical and behavioral competencies across the workforce.



Training Programs Delivered in 2023

We conducted the following training sessions to address compliance, safety, and professional skills development. We recorded a total of 751 training hours and supplemented classroom sessions with a learning modules covering AI/IT updates, anti-bribery and corruption, cybersecurity, and code of conduct requirements, ensuring consistent and accessible learning opportunities for all. Average hours of training per employee was 3.2.



Our Partners in Value

Our procurement process at AWHC ensures we select suppliers who align with our ESG principles. We view our supply chain as an extension of our values, prioritizing partners who help us maintain operational effectiveness, ISO compliance, and superior information security management. This approach ensures transparency, efficiency, and consistent alignment with our sustainability goals.

Risk Management

Our comprehensive risk management framework identifies and categorizes potential risks based on their probability and impact. We implement proactive strategies and clear contractual terms to manage these risks effectively. Regular reviews and detailed records are maintained to support audits and continual improvement.

Sustainability Commitment

Our comprehensive risk management framework identifies and integrates sustainability as a key criterion when selecting vendors and subcontractors. We believe that responsible procurement enhances our business operations and contributes to global well-being. We actively seek partners who share our dedication to sustainable practices and build a more resilient future.

Innovation and Technology Adoption

We are modernizing the procurement value chain by adopting cutting-edge technologies. Our process integrates tools such as AI for predictive analysis and ERP systems for streamlined operations, including proposal submission and contract formulation.

Internal Training and Capacity Building

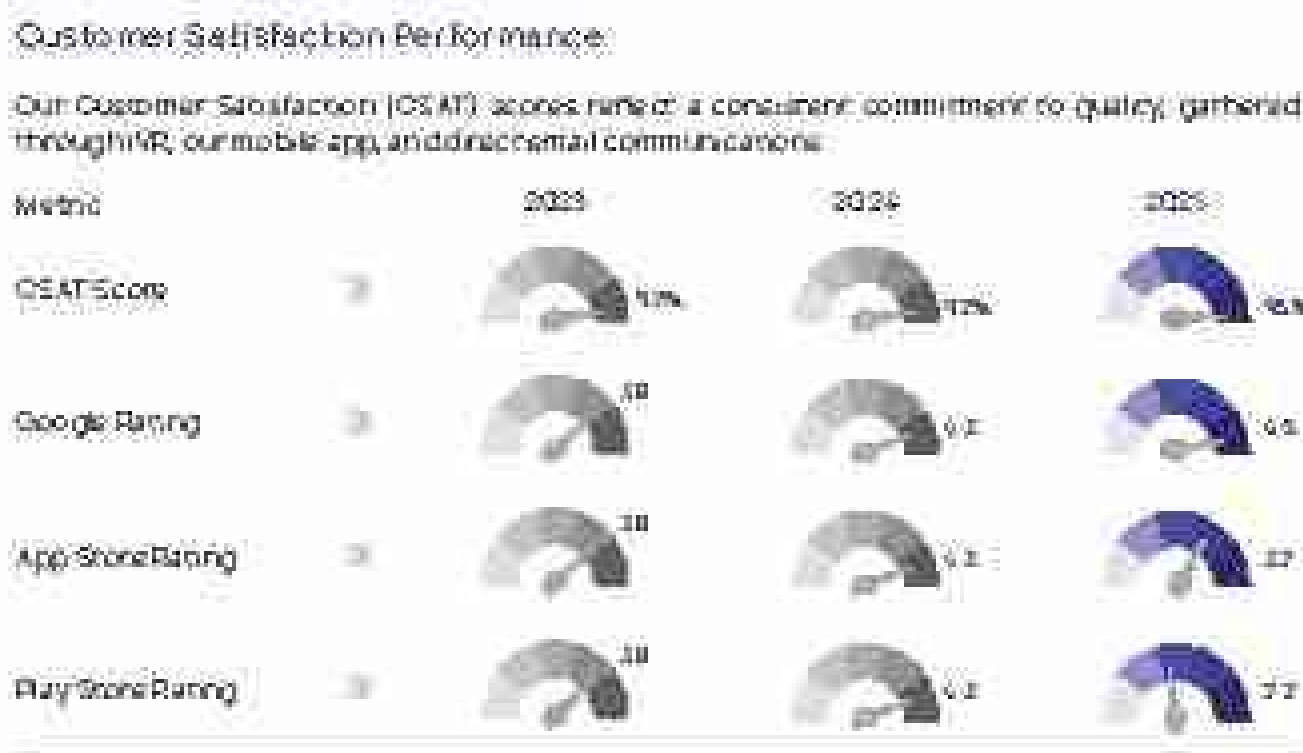
We provide continuous training and capacity building initiatives for all stakeholders involved in vendor management. This education covers best practices, legal compliance, and emerging trends, ensuring our internal team remains aligned with our organizational values and goals.

Vendor Relationship Ethics

We maintain strict policies to avoid conflicts of interest during vendor selection. We prohibit employees from accepting significant gifts from vendors, and any apparent conflicts must be reported to the Chief Finance Officer immediately.

Our Commitment to Service

We view our customers as the primary focus of our operations, striving to deliver seamless experiences that combine digital efficiency with a human touch. By actively listening to feedback across multiple channels, we ensure our services evolve alongside our clients' needs while maintaining the highest standards of data security and operational transparency.



Service Highlights & Risk Mitigation

We leverage our technical expertise to provide value-added insights that go beyond standard policy guidance, fostering a safer environment for our clients.

Proactive Protection:
We proactively address risks by regularly reviewing standards and helping government entities proactively assess before a policy even begins.

Digital Speed:
Our in-house SVC network has streamlined the onboarding process, allowing for a seamless, frictionless process.

Accuracy:
Our Real Financial Statistics have 99.70% in 2023, significantly surpassing the industry average of 88-90%.

Digital Engagement



Our digital footprint continues to expand, allowing us to connect with our community where they are most active.

Platform	2024 Performance	2025 Performance
	70K	66.7K
	28K	37.8K
	3.3K	5K

Creating Everyday Value Beyond

Insurance AWHC's Enhanced Loyalty Program

AWHC redesigned its customer value proposition by implementing an Enhanced Loyalty Program that integrates non-insurance benefits across lifestyle domains. Drawing on cross-sector partnerships, we launched a network of 20+ merchants spanning health, wellness, dining, entertainment, and everyday essentials. Through targeted integration of partner offers into the AWHC customer portal and communications, we extended value beyond claims and premiums, incentivising healthy behaviours and frequent platform interactions.



AWHC's Enhanced Loyalty Program provides policyholders with exclusive benefits and preferential offers from more than 20 partner merchants. The program complements core insurance coverage by embedding practical, day-to-day value into the customer relationship.

By formalising merchant partnerships and integrating benefits within our digital platform, we ensured structured access, consistent communication, and measurable engagement. This approach positions insurance not as a transactional product, but as an ongoing service relationship aligned with customers' daily needs.

Benefits to Customers

Access to health and wellness partners supports preventive care and healthier lifestyle choices, aligning with UH SDG 3 (Good Health and Well-being). Discounts across dining, entertainment, and essential services reduce everyday expenses, strengthening customers' financial resilience.

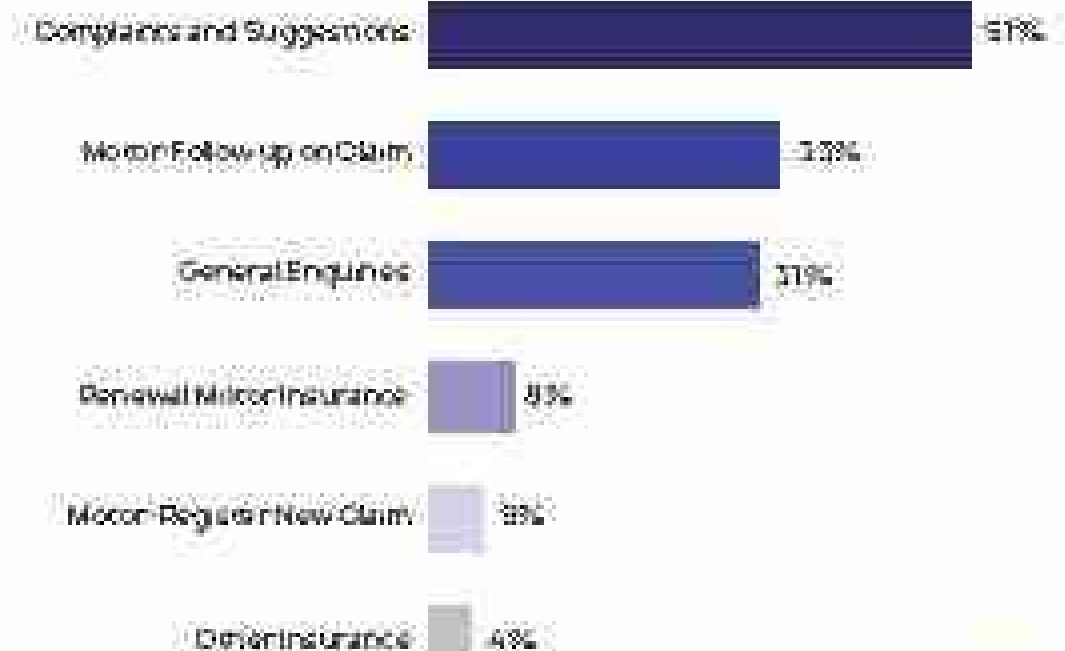
At a business level, the program increases engagement frequency beyond renewal cycles, reinforces retention drivers, and enhances brand relevance in a competitive market.



By delivering tangible, lifestyle-oriented benefits, AWHC demonstrates customer-centric responsibility while strengthening long-term relationship value and revenue stability.

Responsive Support

We categorise our interactions to ensure every inquiry reaches the right expert, with a firm promise of personal accountability. Our queue-wise analysis allows us to align our specialised teams with the specific needs of our customers.



We are proud to share that 100% of all customer complaints are resolved through one-to-one human interaction, ensuring no concern is left to an automated system alone.

Intellectual Capital and Digitisation

Intellectual Capital

Our Intellectual Capital, including Digitisation practices is a key component of our value and competitiveness and continues to play a critical role in strengthening our operating model. We view digital transformation not merely as a technology upgrade, but as a strategic lever to improve efficiency, elevate service delivery, and reinforce our brand value in a rapidly evolving insurance landscape.

AWHIC became the inaugural UAE insurance company to achieve ISO 27001:2022 certification, demonstrating adherence to rigorous international information security standards.



Our Digital Vision – Connected | Efficient | Customer Centric

The approach to digitisation focuses on creating a connected, efficient, and customer-centric ecosystem that supports end-to-end business process improvements. Technology is leveraged to streamline internal workflows, strengthen decision making, and deliver seamless, consistent experiences across all customer touchpoints.

ICMS	Motor Portal	HRMS	Marine Portal	Digital Salvage Auction
Intelligent Communication Management • Digitisation of the web Portal • Faster claims and finance processing • Customer self-serve claims resolution	Automated Motor Insurance • Online and fully digital insurance • Cross-sell and up-sell enablement • Customer purchase insight	People & Workforce Management • Centralised HR operations • Improved workforce productivity • Digitisation of recruitment process	Digital Marine Insurance • Digitisation and employee access • Yacht, vessel, cargo, and hardware • Faster and accurate service delivery	Used Vehicle Salvage Management • End-to-end digital visibility • Regulated transparency • Efficient salvage handling

Digital Transformation

Our digital initiatives are designed to drive measurable improvements across business operations and customer service delivery. By digitising end-to-end processes, we continue to strengthen responsiveness, accessibility, and service quality. Key outcomes from our digital enablement include:



IT Service Desk

We have enhanced project management capabilities and improved turnaround times for internal queries and service requests.

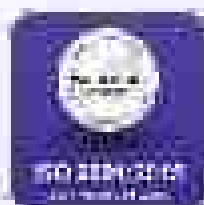
Customer Experience Focus

We enable customers to access our products and services anytime and anywhere through digital platforms.



e-Channels Expansion

We continue to strengthen digital touchpoints, including WhatsApp Business, our website, and mobile applications, to support wider customer reach and engagement.



Service Quality and Responsiveness

We have enabled instant, same-day processing for premium refunds and cash claims through automated digital workflows.



AMCO has implemented a range of digital initiatives to enhance operational efficiency, improve customer experience, and strengthen digital adoption across the organisation. The following section highlights the key initiatives and their measurable outcomes.

Achievement / Outcome	
Digital Initiative	Intelligent Communication Management System (ICMS)
	Reduction in average approval time from 5 to 2 days
	Enterprise Content Management System
	85-90% of documents handled electronically
	Mobile Application
	10.5K+ app downloads in 2020
	Customer Relationship Management (CRM)
Digital Initiative	Efficient Commerce CRM system
	Mobile Portal
	Average process time reduced to as low as 2 minutes
	Auto-IPD initiative for Motor Claims
Digital Initiative	Digital initiative to improve employee efficiency and customer experience
	Mobile Corporate Risk Portal
Digital Initiative	Allow brokers/corporate customers to download certificates without depending on UW team

Awards in Digital Space

AMCO's digital transformation efforts have been recognised through several industry awards, demonstrating its commitment to innovation and excellence in the digital and insurtech domains.



Social Media Presence



AWHC maintains an active digital presence across key social media platforms to engage customers, strengthen brand visibility, and support communication of products and services.

Metric				
Total Followers	109K+	38K+	66K+	5K+
Total Impressions	5.3M+	574K+	1483K+	1292K+
Total Reach	2.1M+	574K+	1080K+	1047K+
Engagement	4.8%	80K+	66K+	14K+

Data Privacy



Customer Privacy and Data Security

Safeguarding customer privacy and ensuring data security remain central to AWHC's digitalisation journey. As digital channels and systems expand, the organisation continues to promote the integrity, confidentiality and availability of customer and business information.

Strong governance arrangements support this focus, with cybersecurity oversight managed by the Information Security Officer under the supervision of the Audit Committee. In addition, an Information Security Governance Committee, comprising key executive members, provides comprehensive oversight of data protection and cybersecurity matters.

AWHC also maintains adequate cyber insurance coverage to complement its technical and procedural safeguards. Regular external audits, vulnerability assessments, and penetration testing are conducted to assess and strengthen the effectiveness of cybersecurity controls.



Business Continuity

Business continuity forms a critical pillar of AWHC's digital resilience framework. The organisation has established a Business Continuity and Disaster Recovery plan to ensure the availability of critical IT infrastructure during unforeseen events.

The framework provides a formal backup for primary systems and supports uninterrupted service delivery. By embedding continuity planning within its digital operations, AWHC enhances its ability to respond effectively to disruptions while protecting customer and business data.



Robust Infrastructure

AWHC maintains a robust IT infrastructure supported by stringent governance mechanisms to protect both customer and employee data. Digital systems are designed to balance operational efficiency with strong data protection controls.

Technology-driven innovations are leveraged to optimise internal processes and digital distribution channels, enabling a seamless customer experience while maintaining high standards of data privacy and security. Transparency is reinforced through clear online privacy statements outlining data handling practices.

AWHC's Ecosystem to safeguard your data



Data Encryption

Sensitive client data stored on AWHC servers is encrypted, providing an additional layer of protection against unauthorized access.



Email Security

Machine learning Artificial Intelligence (ML/AI)-enabled email security is deployed to proactively detect and prevent phishing and email-based cyber threats.



Data Leak Prevention

An AI-based network security system, Endpoint Detection and Response (EDR), and a robust firewall with Distributed Denial of Service (DDoS) protection are implemented to mitigate data leakage risks.



Patch Management

All devices and servers are regularly patched to address vulnerabilities and strengthen system security.



Access Control

Privileged Access Management (PAM) with Multi-Factor Authentication (MFA) is implemented across critical systems to restrict and secure access to sensitive data.



Regular Audits

Systems and data undergo regular audits to maintain compliance, identify vulnerabilities, and enhance security controls.



Backup Strategy

Regular on-premise and off-site backups are conducted to ensure data integrity and availability.



Employee Education

Employees receive ongoing cybersecurity education to recognize and respond effectively to potential cyber risks.



Data Protection Policy

A formal Data Protection and Client Confidentiality Policy governs secure data handling and compliance with legal and regulatory requirements.

Employee Training and Knowledge Development

AWHC invests consistently in building employee capability to support its digitalization and data protection objectives. Ongoing training initiatives are implemented to strengthen workforce proficiency and ensure employees remain up-to-date with emerging industry trends, technological advancements, and information security requirements. In parallel, AWHC promotes active participation in knowledge sharing initiatives, including conferences, seminars, and workshops, promoting a culture of continuous learning, professional growth, and innovation. The collective expertise is regarded as a core element of the organization's intellectual capital and a key enabler of sustained competitiveness and service excellence.

Innovation and Digital Advancement

Innovation remains a key driver of AWHC's digital transformation, with a clear focus on applying technology to improve customer experience, operational efficiency, and service delivery. Leadership actively supports the use of advanced digital solutions to enable faster, simpler, and more reliable insurance processes.

Key initiatives undertaken during the year include the launch of an internal innovation challenge to mandate high-potential ideas into practical solutions, the redesigning of customer journeys to enable a seamless and frictionless policy buying experience, and the deployment of a next-generation generation AI chatbot to provide 24/7 smart customer support. AWHC also upgraded its HR system with AI-enabled smart routing to improve query resolution and progressed cloud migration and optimization efforts to enhance system performance and scalability.

Innovative Insurance Offering of the Year 2025 – Motor Product

AWHC received the Innovative Insurance Offering of the Year 2025 Award at the Great Marketing & Business Minds Awards 2025, hosted by the Digital Skills Forum UAE.

This recognition reflects our disciplined focus on product innovation, technology adoption, and sustained growth in our motor portfolio. It reinforces our commitment to delivering measurable customer value under our 'Caring Beyond Coverage' promise while strengthening our competitive position in the UAE insurance market.

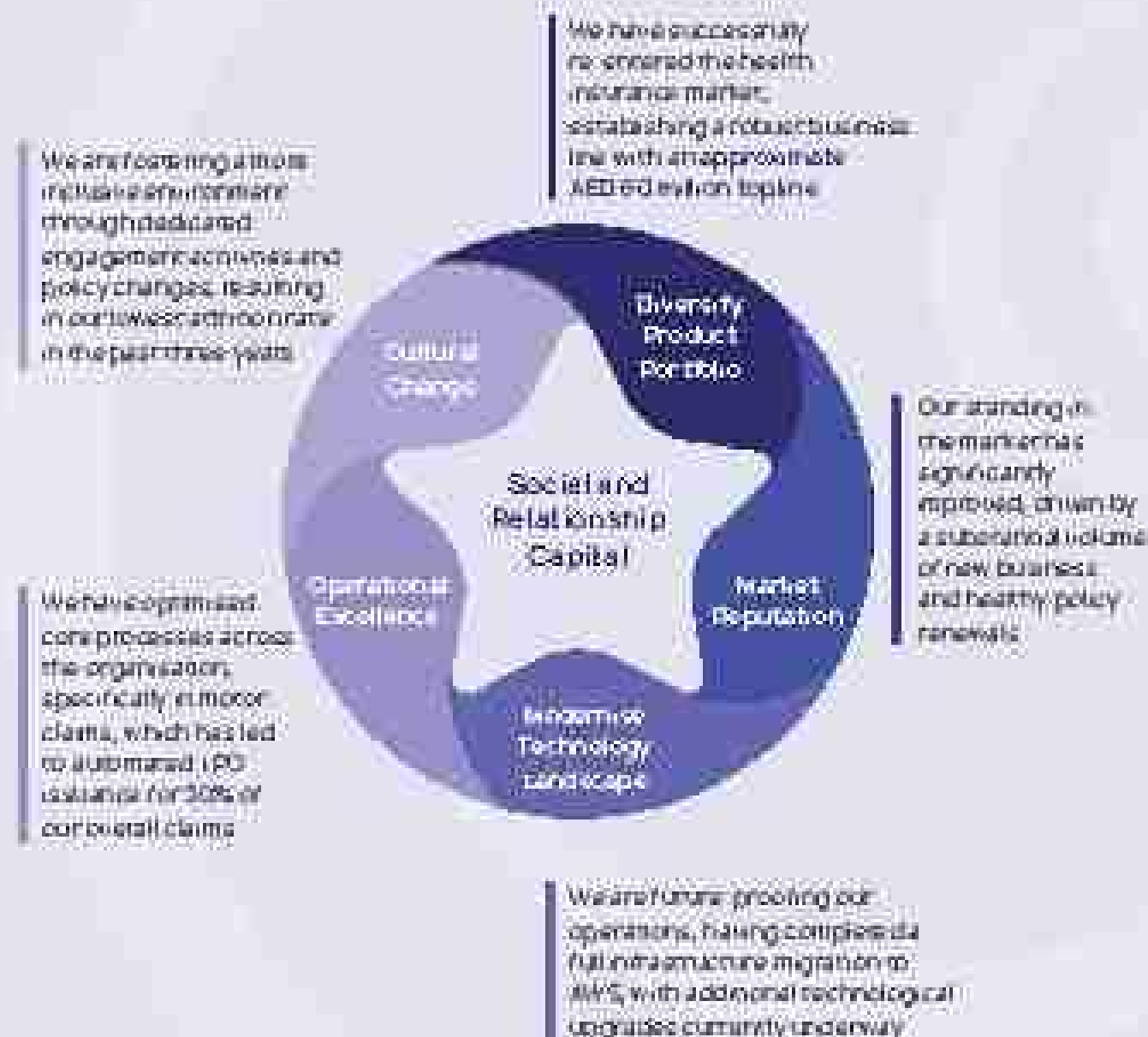


Social and Relationship Capital and Social Stewardship



at AWHQ, we believe that our long-term success is inseparable from our relationships with stakeholders and the communities we serve. By embedding social stewardship into our core strategy, we ensure that every interaction, whether with a customer, partner, or colleague, reflects our commitment to ethics, transparency, and sustainable growth. Our objective is to create a resilient ecosystem where digital innovation and human accountability coexist to deliver superior value.

The five strategic objectives that guide our Social and Relationship Capital are outlined below, reflecting our progress in modernisation, market presence, and internal culture.



Strategic Growth through Product Diversification

We aim to strengthen our social and relationship capital by expanding our product portfolio, enhancing our market reputation, modernising our technology landscape, driving operational excellence, and promoting a positive organisational culture. Through these objectives, we focus on re-establishing key business lines, improving market standing, implementing advanced technological solutions, optimising processes for efficiency and creating an inclusive environment that supports engagement and retention.

The following table highlights the distribution of our insurance products across different segments for the year 2025.

Product		2024	2025
 Motor	➤	66%	50%
 Health	➤	11%	20%
 Marine and Cargo Hull	➤	4%	3%
 Property	➤	10%	11%
 Engineering	➤	9%	9%
 General Accident	➤	0%	6%

Our Commitment to the Community

We believe our responsibility extends far beyond providing insurance; it is about building a safer and more resilient society. Our community engagement is a reflection of our core values, focusing on sustainable development, local empowerment, and proactive social stewardship. Over the past five years, we have demonstrated this commitment by increasing our community investments almost threefold, ensuring that our growth directly contributes to the well-being of the UAE.

CSR Strategy

Our Corporate Social Responsibility (CSR) strategy is integrated into our broader business model, ensuring that our social and environmental efforts align with the UAE's national vision, such as the Abu Dhabi Economic Vision 2030. We focus on four key pillars:

Education and Innovation

Investing in digital literacy and workshops to equip the next generation for a tech-driven future.

Environmental Stewardship

Reducing our carbon footprint through digital transformation and eco-friendly practices.



Social Empowerment

Promoting initiatives that support the local workforce and underprivileged segments.

Healthcare Support

Providing direct aid to frontline workers and promoting health awareness.

ISO Certification Celebration

We celebrated the achievement of our ISO certifications across locations to recognise our teams' collective commitment to quality, compliance, and operational excellence. The celebration acknowledged the disciplined processes, collaboration, and continuous improvement efforts that enabled us to meet international standards. By marking this milestone, we reinforced employee ownership of performance, strengthened pride in our achievements, and promoted a culture of accountability and excellence across the organisation.



CSR Committee

To maintain the highest standards of accountability, our CSR initiatives are overseen by a dedicated team that reports to the Board of Directors. This oversight ensures that every project is vetted for impact, transparency, and alignment with our ESG goals. The committee is responsible for:



Project Selection

Identifying high-impact community needs that match our organisational expertise.



Impact Measurement

Monitoring quantitative results and performance metrics to ensure resource efficiency.



Transparent Disclosure

Providing clear reporting to our stakeholders on our social contributions and progress.

Community Initiatives

We take pride in our active role within the community, having participated in 4 key CSR activities in 2025 alone.

In collaboration with SEHA Blood Bank, Al Watnba organised a blood donation drive, bringing employees together to contribute to community health and support life-saving medical needs through voluntary blood donations.



At AWNIC, we believe road safety begins with awareness and shared responsibility. In collaboration with RoadSafetyUAE, we assessed current traffic conditions to better understand local challenges faced by motorists across the UAE.

Our findings show that 88% of drivers feel traffic has worsened while 85% experience congestion regularly. For all these numbers represent more than delays - they indicate higher stress levels, reduced wellbeing and increased road safety risks.

Through this initiative, we aim to encourage informed discussions around smarter commuting, shared mobility, and long-term infrastructure improvements that can ease congestion and enhance safety. We see this as part of our broader responsibility to support safer roads and healthier communities.

At AWNIC, we care beyond coverage and remain committed to practical actions that create a positive social impact.



We want to give the concerned traffic participants a voice. We need to understand their feelings and perceptions with regards to the on-the-ground traffic congestion. As a customer-centric organisation, we are committed to improving our customers' daily lives, which is why we teamed up with RoadSafetyUAE on this important project.

Muralikrishnan R
Chief Financial Officer



Natural Capital and Environmental Stewardship



Our Environmental Stewardship

AWAC recognises that our long-term success is inseparable from the health of the ecosystems in which we operate. Our approach focuses on minimising our environmental footprint through disciplined oversight of the resources we consume and the outputs we generate.



Emission Management

We began reporting our Natural Capital in 2019, aligning our efforts with the UAE Net Zero by 2050 strategic initiative.

To address our environmental impact, we aim to integrate sustainability across our share portfolio, specifically focusing on our Insurance Operations, Real Estate Portfolio, and Investment Portfolio. By embedding these we ensure that our growth remains responsible and resilient.

Addressing Our Greenhouse Gas Footprint

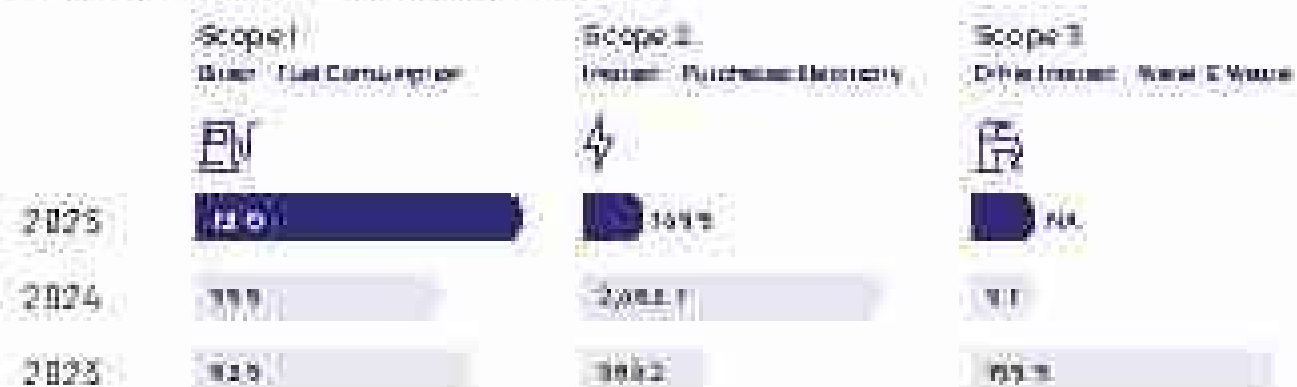
We acknowledge the significant influence of greenhouse gas emissions on the environment and climate. To manage this, we have adopted a structured approach. This strategy allows us to achieve profitable growth while exerting a positive influence on both society and the environment.



Category		Frameworks / Initiatives
	Targeted Frameworks	UN SDGs
		We the UAE 2031
		CSO
		UNGC (United Nations Global Compact) Principles
		ADX ESG Disclosure
		ISSB (Sustainability Accounting Standards Board) standards
	Policies & Certifications	UN Environment's Principles for Sustainable Insurance Initiative (P2)
		Green IT Policy
	Operational Practices (Green IT Policy)	ISO 14001:2015 - Environmental Management Certified
		Energy efficient Devices
Server Virtualization		
		Cloud Computing

GHG Emissions

We track our emissions through a comprehensive reporting system to ensure compliance with international standards and operational accuracy.

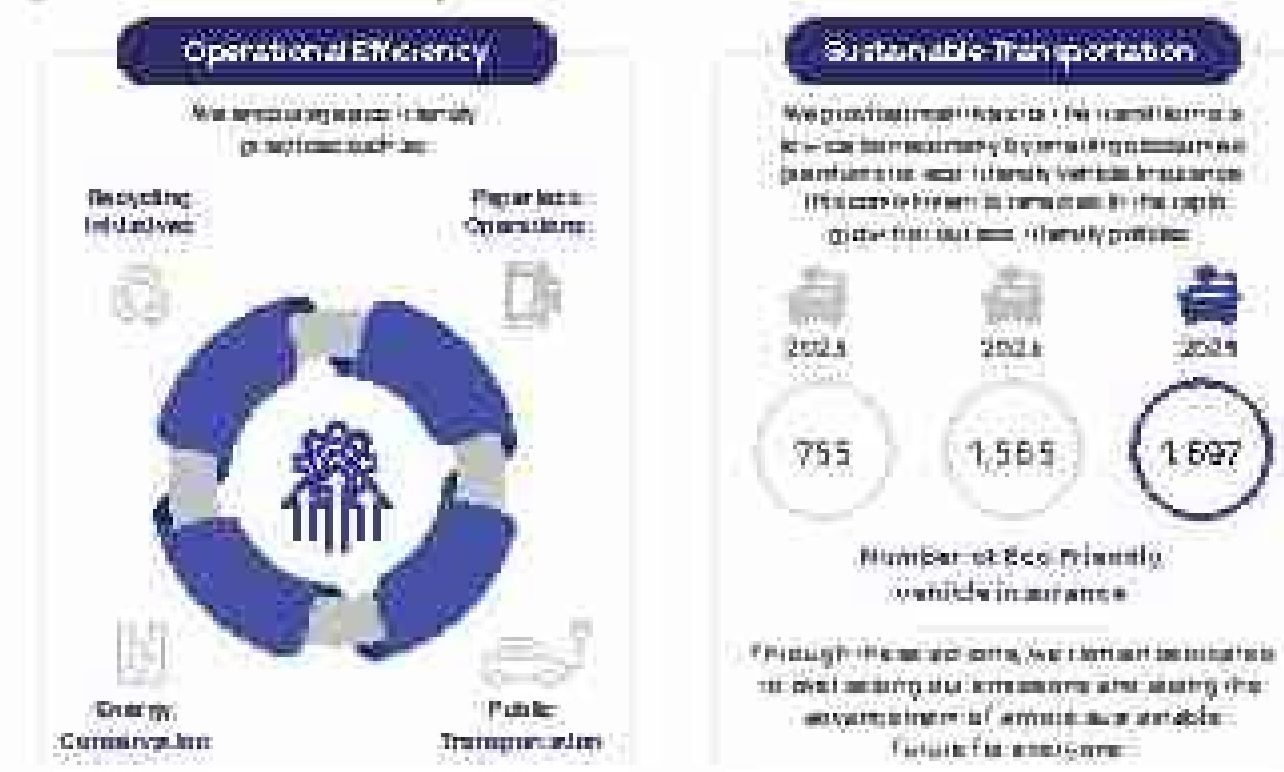


Emission intensity per employee stands at 0.95 tCO2e/employee

(Based on 1,000)

Strategic Decarbonisation

Our carbon footprint reduction strategy is centered on active employee participation and the promotion of sustainable transportation.



Energy Management

As part of our commitment to reducing our carbon footprint, we have implemented a series of measures aimed at enhancing energy efficiency and promoting the integration of renewable energy sources. These proactive initiatives align with our environmental goals, setting the stage for a more sustainable future within the insurance sector and beyond.

Energy-Saving Measures

Our company persistently monitors and discloses our energy consumption metrics, aiming to minimize our adverse environmental impact and align with sustainable operational standards. We track our electricity and fuel use to drive operational improvements and ensure transparency.



Water Management

Al Watiba recognises that water is a precious shared resource, and its responsible management is essential to maintaining the ecological balance within our operating regions. To ensure we minimise our impact on local water supplies, we also focus on monitoring consumption patterns and implementing efficiency measures across our physical locations and investment properties.

We maintain a disciplined approach to tracking our water usage to drive accountability and identify opportunities for reduction. The following table outlines our consumption trends:

	2023	2024	2025
Total Consumption (litres)	19,762	22,253	9,104.5
Intensity per Employee	105	118	361

Our overall water consumption reduced by 5.68% compared to 2024 levels.

Our Commitment to Regional Water Security

Guided by our long-term environmental strategy, we are committed to reduce our water intensity per employee. This ensures that our growth remains responsible and protective of our shared water resources.

Water Conservation Initiatives

To mitigate our consumption, we have integrated several conservation practices into our daily operations:

We have implemented water efficiency features, including low-flow taps and motion sensors, faucets & showerheads, to minimise unnecessary waste.



We actively promote water conservation through internal awareness campaigns and digital communications. We encourage sustainable water usage among our staff.

We conduct regular maintenance and inspections of all plumbing systems to ensure optimal performance and prevent leaks, thereby reducing water wastage.

Effluent & Waste Management

Al Watiba acknowledges the significance of waste and effluent management in mitigating our environmental footprint. To maintain high operational standards, we have implemented a Comprehensive Waste Management System across all our offices and branches, ensuring that our disposal processes are disciplined and aligned with our broader sustainability goals.

Waste Management System

We utilise a structured framework to handle all operational outputs, focusing on a clear lifecycle from initial sorting to final audit:



To ensure technical excellence and impact tracking, we collaborate with specialised partners for various waste streams:

We Circulars

Our partner for the dedicated recycling of e-waste.

Averda Waste

Management Services
Provides general waste disposal for our Muscat Branch.

EndoGreen

Collaborative partner for document shredding and paper recycling, resulting in 7,760 kgs of paper recycled in 2025.

Recycling 7,760 kgs of paper helped us conserve natural resources by saving approximately 132 trees, 54,323 gallons of water, and 11,040 kWh of energy.



Compliance with Environmental Regulations

Wahaha acknowledges its duty to safeguard the environment and pledges to adhere to all relevant environmental regulations. We endeavor to reduce our environmental footprint through continuous management practices and ongoing enhancement, holding the belief that our dedication to these standards is crucial for our long-term success as a responsible and sustainable business. To ensure consistent adherence, we focus on the following five points:

We participate in industry-wide initiatives and programs that advocate for sustainable practices and compliance with environmental regulations.

We track emissions and waste streams to ensure compliance with local and national regulations.



We engage with regulators and stakeholders to stay updated with changes in environmental regulations and ensure full compliance.

We maintain an Environmental Management System (EMS) certified to the ISO 14001 standard to monitor and manage environmental impacts.

We take continuous efforts to reduce our carbon footprint through the use of energy-efficient equipment and promoting sustainable practices company-wide.

Go Green Initiative – Recycling Drive

We engaged employees in a structured recycling program in partnership with RECAP to promote responsible waste segregation and environmentally conscious behaviors. The initiative embedded everyday sustainability practices into our operations and strengthened employee ownership of our environmental commitments.

Corporate Governance

Our Governance Framework

We operate within a structured governance framework that reflects the applicable regulatory requirements and institutional governance expectations. Our approach is designed to strengthen discipline, transparency, and accountability across the organisation, while supporting long-term value creation for shareholders and other key stakeholders.

Our governance practices are guided by formally established policies and procedures aligned with nationally prescribed principles of institutional discipline. We believe that consistent application of these policies supports the achievement of our strategic objectives, safeguards shareholder interests, and enhances sustainable value. At the same time, our framework considers the interests of customers and employees, supporting a sound and well-defined control environment.

Board Oversight and Accountability

The Board of Directors are supported by the committees in providing oversight of management and the execution of entrusted responsibilities. This oversight extends to supervising the implementation, periodic review, and continuous development of internal policies and procedures to ensure the efficiency and effectiveness of internal controls. Through this governance structure, we uphold our commitment to integrity, transparency, accountability, responsibility, and appropriate disclosure.

We also remain aligned with the applicable regulatory requirements governing the UAE's insurance sector. Implementation of these governance requirements is monitored on an ongoing basis, with periodic reporting submitted to the regulators including the CBUAE and ADX to demonstrate compliance and support effective governance oversight.



Name	Category	Responsibilities	Qualification	Experiences
Dr. H. Satrio Sukrisnanto Sudibyo	Non- Independent	Chairman of Board of Directors	Bachelor's degree in Political Science / Economics	- CEO and Deputy Director of United All Group Group since 2008 to date - CEO and Deputy Director of Hithere Group since 2008 to date - Owner and CEO of Sukrisnanto since 1979 to date - Vice Chairman of the Board of Directors of the Bank of Southeast Asia since 1979 to date
HC, Rachmi Duryati Armas Widada	Non- Independent	Vice Chairman of the Board of Directors Chairman of Internal Controls Committee	Bachelor's degree in Business Administration Master of Business Administration	- Chairman of the Board of Directors and Director of Pacific Bank-Bank of the World Commercial Investment since 2002 to date - Finance and Marketing Director of Bank of Southeast Asia since 1975 to 2000 - Assistant Director since 1970 Finance and Commercial Investment (Marketing) of Bank of Indonesia since 1975 to 1993 - Finance and Marketing of Bank of Indonesia since 1993 to 1999
Dr. H. Daryat Suhil Suhil Sudibyo	Independent	Member of Board of Directors and Chairman and Internal Control Committee	Bachelor's Degree of Political Science Candidate in University of Padjadjaran Lampung, United Kingdom 1996 to 2000	- Head of the Global Operations of Financial National Oil Company (FON) - Pakistan - Head of the Global Team, including the regional team in several regions, including Finance, Marketing, Logistics, Management, and Sustainability - Collaborating with the International team to ensure strategic development and reporting related to the company
HC, Chairit Sobanlyasathai Karnkarn Karnkarn	Non- Independent	Chairman Internal Control Committee and Member of the Board	Master's degree in Business Administration Bachelor's degree in Economics	- Founder - General Manager of Global Financial Services Company since 2005 to 2014 - Business Development Manager of Global Services since 2001 to 2005 - Executive Director of Global Financial Services Company and Global Financial Services (including Global Services) since 1975 to 2000 - Financial Manager of Global Financial Services (including Global Services) since 1970 to 1975 - Marketing Director of Global Financial Services Company 100% since 1970 to 1970
HC, Rachmi Widada Widada	Non- Independent	Member of Board of Directors and Internal Control Committee		- Chief Executive Officer of HCCO Company since 2010 to 2019 - Founder since 2010 to 2019 - Chief Executive Officer and Board Member of HCCO since 2006 to 2010 - Employee of HCCO since 2006 to 2010 - Exchange since 2000 to 2005 - Founder since 1970 to 2000 - Employee of Pacific Investment Bank since 1970 to 1975 - Employee of Bank of Indonesia since 1970 to 1975

Name	Category	Responsibilities	Qualification	Experiences
HC, H. Satrio Sukrisnanto Sudibyo	Non- Independent	Chairman of the Board of Directors and Chairman of the Board of Directors	Bachelor's Degree in Business Administration Candidate in University of Padjadjaran Lampung, United Kingdom 1996 to 2000	- Executive Director with 20 years of experience in the banking industry - Experience in business management - Experience in education and research in private company specializing in heavy equipment and oil & gas - Managing Director of the Bank of Indonesia since 1979 to 1999
HC, H. Satrio Sukrisnanto Sudibyo	Non- Independent	Member of the Board of Directors Chairman of Internal Controls Committee and Chairman of the Board of Directors	Bachelor's degree in Business Administration Candidate in University of Padjadjaran Lampung, United Kingdom 1996 to 2000	- Collaborating with International team to ensure strategic development and reporting related to the company - Head of the Global Operations of Financial National Oil Company (FON) - Pakistan - Head of the Global Team, including the regional team in several regions, including Finance, Marketing, Logistics, Management, and Sustainability - Collaborating with the International team to ensure strategic development and reporting related to the company
HC, Chairit Sobanlyasathai Karnkarn Karnkarn	Non- Independent	Chairman of the Board of Directors and Chairman of the Board of Directors	Bachelor's Degree in Business Administration Candidate in University of Padjadjaran Lampung, United Kingdom 1996 to 2000	- Executive Director with 20 years of experience in the banking industry - Experience in business management - Experience in education and research in private company specializing in heavy equipment and oil & gas - Managing Director of the Bank of Indonesia since 1979 to 1999
HC, Rachmi Widada Widada	Non- Independent	Member of the Board of Directors and Chairman of the Board of Directors	Bachelor's Degree in Business Administration Candidate in University of Padjadjaran Lampung, United Kingdom 1996 to 2000	- Executive Director with 20 years of experience in the banking industry - Experience in business management - Experience in education and research in private company specializing in heavy equipment and oil & gas - Managing Director of the Bank of Indonesia since 1979 to 1999



Board Committees

We have established a robust Board committee structure to support effective governance oversight and decision-making across key areas of our operations. The Board has constituted five specialised committees, each operating under clearly defined mandates and regularly evaluated by the Board to ensure accountability, effectiveness and alignment with the Company's strategic and regulatory requirements.

We support the Board in overseeing financial reporting integrity, audit effectiveness, and internal control systems. Our focus remains on strengthening assurance mechanisms, promoting transparency, and ensuring timely and effective engagement with internal and external auditors.

Audit Committee

We oversee Board and senior management remuneration frameworks, ensuring independence, fairness, and alignment with the Company's performance and governance requirements, while also guiding succession planning and human capital oversight.

Nomination & Remuneration Committee

We oversee insider trading activities to ensure compliance with applicable regulations, safeguard confidential information, and maintain market integrity through structured controls, disclosures, and monitoring mechanisms.

Insiders' Dealing Committee

We assist the Board in overseeing investment-related matters by guiding strategy, monitoring investment activities, and supporting the evaluation of investment policies and governance practices.

Investment Committee

We support the Board in overseeing the Company's risk management framework by reviewing key risk exposures, internal controls, and regulatory compliance, while enhancing preparedness for emerging risks and challenges.

Risk Committee

Committee	Establishment	Key Roles and Responsibilities
Audit Committee	Established as a Board derived committee to support the Board in fulfilling its oversight responsibilities	- Oversee internal audit effectiveness and external auditor independence - Monitor integrity of financial statements and regulatory compliance - Review internal controls, risk management, and audit findings
Nomination & Remuneration Committee	Constituted as a committee of the Board and restructured on April 23, 2024	- Oversee nomination and remuneration frameworks for board and management - Review HR, training, and remuneration policies - Regulate board nomination procedures in line with governance regulations
Insiders Dealing Committee	Established on October 22, 2019, in compliance with applicable corporate governance and securities regulations	- Regulate and monitor insider transactions and disclosures - Maintain and oversee the insiders' register - Safeguard confidentiality of material non public information
Investment Committee	Formed as a Board derived committee and restructured on April 23, 2024	- Develop the investment strategy and guidelines for Board approval - Review and monitor investment activities - Support evaluation of investment policies and regulatory systems
Risk Committee	Established as a Board derived committee on April 23, 2024	- Oversee risk management policies and key risk exposures - Review internal controls and risk reports - Support regulatory compliance and crisis preparedness

For more details on the board and its functions, visit www.aig.com/uae/en/our-governance or the 2024 annual report

Regulatory compliance

We comply with all applicable laws and regulations governing our operations as a public joint stock company listed on the Abu Dhabi Securities Exchange and as an insurance service provider in the UAE. This includes adherence to requirements issued by the Securities and Commodities Authority, Abu Dhabi Securities Exchange, the Central Bank of the United Arab Emirates (formerly the Insurance Authority), the Department of Health - Abu Dhabi, the Dubai Health Authority, and applicable labour laws, along with other relevant UAE regulations. Through this approach, we ensure our business activities are conducted in line with statutory, regulatory, and supervisory expectations.



Enterprise Risk Management

Risk Management

We aim to proactively identify, assess, and mitigate risks that may affect our financial stability, operational efficiency, and reputation. Our approach ensures compliance with regulatory requirements while supporting long-term value creation for stakeholders. We focus on safeguarding solvency, profitability, and capital adequacy; strengthening operational resilience; and protecting policyholder interests through prudent risk oversight. At the same time, we also integrate risk considerations into strategic decision making, manage reputational and ESG-related risks, and use technology and data to enhance risk identification, monitoring, and protection of sensitive information.

To achieve this mission, our risk management approach focuses on:



Approach to Risk Management

Risk Management Policy

We have established a formal Risk Management Policy that applies across the organization and defines the principles, guidelines, and processes for managing risk. The policy outlines company-wide risk management processes, specifies key risk categories, and guides decisions in identifying and managing risks. It is approved by the Management and the Board, aligned with the annual business plan and three-year strategy, and reviewed annually. Through this policy, we acknowledge and manage risks inherent to our strategy to achieve our objectives and deliver operational excellence.

Risk Management Framework

We follow a unified, formalized, and systematic risk management framework that emphasizes proactive risk identification and management to minimize disruptions to business operations. The framework promotes transparency in divisional risk profiles, supports informed business decision making, and encourages the adoption of best practices across operational areas. Our approach enables us to manage risks within the Board-approved risk appetite while proactively evaluating, mitigating, and monitoring risks that may impact the organization.

Risk Management Process



We approach risk management at an enterprise level to ensure that risks across all functions, divisions, and decision making processes are identified, assessed, and managed in a coordinated and consistent manner. Our Enterprise Risk Management (ERM) approach enables us to align risk oversight with our strategic objectives, strengthen accountability, and maintain transparency across the organisation.

Board Oversight and Accountability

Risk governance is embedded within our Enterprise Risk Management framework to align risk oversight with strategic objectives and long-term priorities. Our Board of Directors, supported by the Audit Committee, provides overall oversight of the risk management process.

Risks We Seek to Avoid	
Safety	Risks that could negatively affect the safety of all relevant stakeholders
Compliance	Risks that could lead to breaches of laws or regulations
Financial Sustainability	Risks that could endanger sustainable profit
Reputation	Risks that could negatively affect our reputation
Business Continuity	Risks that could endanger the future existence of the Company

Risk Governance

We have clearly defined roles and responsibilities for all stakeholders involved in the risk management process, including executive management, risk committees, division managers, and employees. Management at appropriate organisational levels establishes and updates risk responses within defined risk tolerance limits, as documented in the risk register. Our governance framework is supported by comprehensive risk policies and procedures, robust reporting and monitoring systems, and regular reviews of risk data. Through ongoing training and awareness programs, we promote a strong risk aware culture and ensure timely identification, reporting, and mitigation of risks across the organisation.

Risk Analysis

Key Risk Measures Identified	
Underwriting	Motor Underwriting KRIs, Technical Underwriting KRIs
Claims	Motor Claims KRIs, Technical Claims KRIs
Operations	Operational KRIs
Investments	Investment KRIs
Finance	Finance KRIs
Credit	Credit Control KRIs
Human Resources	Human Resource KRIs
Marketing & Business	Marketing & Business KRIs
Reinsurance	Reinsurance KRIs
Information Technology	IT KRIs
Regulatory & legal	Regulatory Compliance and legal KRIs
Compliance	AM KRIs

Risk Mitigation

We apply defined risk response strategies to address identified risks in line with their nature, impact, and alignment with our risk appetite. These responses enable us to manage risks proactively while supporting informed decision making across the organisation.

Risk Avoidance

Avoiding activities or decisions that may expose the Company to risks beyond acceptable levels

Risk Sharing

Sharing risk exposure through appropriate arrangements to reduce the potential impact on the Company

Risk Reduction

Implementing controls and actions to reduce the likelihood or impact of identified risks

Risk Acceptance

Accepting risks that remain within approved risk appetite and tolerance levels

Risk Response Mechanism



GRI and ADX Index



Statement of Use: AMNC has prepared this information in line with the GRI Content Standard for the general industry for its disclosure for 2024, with reference to the GRI Standards

GRI Used: GRI 1 Foundation 2021

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03

CORPORATE GOVERNANCE REPORT



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Introduction

Al Wathba National Insurance Company PSC (the "Company") was established by Extra Decree No. 3/75 on 10/2/1976 and it is a public joint-stock company, registered with the Central Bank (previously Insurance Authority) with registration number 10. The Company's principal activity is transaction of general insurance and re-insurance business of all kinds. The Company is listed on Abu Dhabi securities exchange and has its head office in Abu Dhabi with the current capital at AED 207 million.

The company's primary activity consists of general insurance transactions and re-insurance of all types. The company is also listed on the Abu Dhabi Securities Exchange, and its headquarters are located in the Emirate of Abu Dhabi.

1. Procedures to complete Corporate Governance system.

Procedures taken to complete the Corporate Governance system during 2023, and how they are applied.

The company was keen to abide by and work in accordance with Federal Law No. 13 of 2011 regarding commercial companies and the Chairman of the Board of Directors Decision No. 101/18 of 2018, amended by Decision No. 102/18 of 2018 regarding the standards of corporate governance and general regulations for the listed companies.

The company has been highly committed to applying policies derived from the rules and standards of corporate governance in force in the company, believing that this will contribute to the company achieving its goals and complying with interests of shareholders and investors with stable value for them, as well as the interests of customers and employees, as it is a key element of the company's growth and provide compliance with regulatory standards, Accountability, transparency and disclosure, in order to ensure the integrity of the work, and to which the Board of Directors and the Executive Management has fully dedicated its efforts to complete.

The Board of Directors, through its all committees, also pays great attention to the issue of corporate governance and disclosure by ensuring the management of the company and its subsidiaries and its implementation of the resolutions and decisions issued through the board's planning and controlling the implementation and disclosure of the company's policies and standards to ensure the efficiency and effectiveness of the company's internal controls.

The company is also committed to applying the rules of governance for insurance companies issued by the Central Bank of the United Arab Emirates under Circular No. 1/4/2011 which began to be effective of 12/11/2011. The Central Bank is equipped with a regulatory system regarding the implementation of the corporate governance regulations and standards.

The company has considered the amendments of its Articles of Association to align it with the Corporate Governance Regulations for Insurance Companies, Federal Decree Law No. 145 of 2012 concerning the regulation of the insurance business, and the resolution of the Board of the Securities and Commodities Authority and its amendments.

The Company has taken several steps to enhance corporate governance through the following:

1.1 Audit Committee

- The Audit Committee met with the Chief of Audit Department to discuss annual audit effectiveness and audit work controls, assessing the ongoing effectiveness of the Company's internal Audit System.



- The Board Audit Committee recommended assessing the system audit on Forward Assurance Controls (FAC) for the year 2023. The General Assembly meeting held on 22/04/2023 approved the assessment of the external audit, Forward Assurance Controls (FAC) and Operational risks.
- The Audit Committee meets with the Company's Internal Audit and Risk Assessment Monthly twice annually.
- The Audit Committee also receives minutes of the meetings of the Board of Directors for review and discussion at the Board meetings.
- The Audit Committee carried out the following responsibilities through the Internal Audit Department, which works continuously and regularly on the Committee:
 - A. Monitoring and reviewing the integrity of the Company's financial statements and reports (annually and quarterly).
 - B. Review & evaluation of performance of the company's internal audit function and effectiveness of internal controls, risk management and governance systems.
 - C. Review the Company's compliance with legal & regulatory requirements and the rules of professional conduct.

3.2 Risk Management

The Internal Audit Department (IAD) has a role and responsibility to ensure that they audit the significant business and internal documents of the company based on the annual plan approved. The internal audit function makes recommendations through the internal audit reports to discuss with the Audit and Senior Management Committee for management decisions.

Moreover, the company's data is analyzed, and defined terms are issued. The internal audit reports are recognized through it, as well as what should be avoided and ways to address the issues identified.

The Risk Management Department manages risk through a risk management strategy, risk assessment strategy and disaster strategy. The strategy aims at covering all types of risk that will be faced in terms of risk type and nature, as well as types of risk reduction and mitigation. The risk management Risk Management (RM) reports are submitted to the Risk Committee, providing an overview of the Company's performance related to the risk landscape and highlighting emerging risks.

3.3 Board of independent advisors

The company has a Whistleblowing and Safe Disclosure Policy, which is a confidential and anonymous mechanism for employees and external holders to raise general concerns about business misconduct, unethical practices, breaches of law and regulations or violations of Company policies, without fear of retaliation, and responsibly to ensure a fair and objective investigation of such concerns through the formation of an independent committee to consider such violations (if any).

3.4 Compliance with laws and regulations

The company is committed to complying with the laws and regulations issued by the Government and Communities Authority, the Abu Dhabi Securities Exchange, the Central Bank of the United Arab Emirates (CBE) and the Abu Dhabi Authority, the Department of Health - Abu Dhabi, the Dubai Health Authority, Ministry of Human Resources & Emiratization, and other laws and regulations in the UAE due to the company's status as a regulated financial company listed on Abu Dhabi Securities Market and committed to its financial business sector.



3.5 Board of Directors

- The Board of Directors oversees the work of the Internal Audit, Risk Management and Compliance Department.
- The Board of Directors oversees the Audit Committee, Risk Committee, Governance Committee and Human Resources & Emiratization Committees, as well as the regulatory updates.
- Provides recommendations by making the sustainability of the company.

3.6 Governance Board

The company is committed to making the company's governance reports available to all shareholders by publishing it through the usual means of distribution and on the company's website. This will be done sufficiently before issuing the general assembly resolution, allowing enough time for shareholders to review it.

2. Transactions in the Company's Securities

The ownership and dealings of the members of the Board of Directors and their first-degree relatives in the company's securities during the year 2024:

According to the Disclosure system and a statement by a majority of Article 141 of the Disclosure and Transparency system issued by the Securities and Commodities Authority and in accordance with what is stipulated in the Abu Dhabi Securities Market, the ownership and dealing positions of the company's members of the Board of Directors and their first-degree relatives for the year 2024 are as follows:

Name	Position/Relationship	Share Holdings on 31/12/2024	Total Sale	Total Purchase
Sheikh/Sat bin Mohamed bin Mubarak	Chairman of the Board of Directors			
Mr. Rifa'a bin Mohamed bin Al Khatib	Vice-Chairman of the Board of Directors	16,944,000		199,128
Sheikh Zayed bin Khalid bin Al Mubarak	Board Member			
Mr. Sheikh Salem bin Mubarak bin Mohamed bin Mubarak	Board Member			
Mr. Rashed bin Al Mubarak	Board Member	14,500		
Mr. Khalid bin Mohamed bin Al Khatib	Board Member			
Mr. Mohamed bin Rashed bin Mohamed bin Al Khatib	Board Member	13,1136		
Mr. Salem bin Mohamed bin Salem bin Mubarak	Board Member			
Mr. Mohamed bin Salem bin Mubarak	Board Member			
Mr. Al Rashed bin Mubarak	Assistant General Manager/Board Member	10,746,777,000		

On 12/09/2024, Mr. Sheikh Salem bin Mubarak bin Mohamed bin Mubarak resigned from the Board of Directors following his resignation as the Company's Chief Executive Officer.

3. Board of Directors

3.1 Composition of the Board of Directors

The Board of Directors of Al Wathba National Insurance Company is the primary body responsible for overseeing the management of the company and ensuring the efficiency and effectiveness of corporate programs, implementing and controlling governance in a way that effectively implements the company's strategies. The Board is also committed to working with shareholders to ensure proper management and compliance.

The Company derived from the Board committee to overseeing its primary business and ensuring its efficiency. The responsibilities of the Board include overseeing the rights of the company's shareholders, approving strategic plans, budgets, and internal controls, overseeing the company's financial performance, and making major decisions relating to the achievement of its objectives.

The current Board of Directors of the company consists of nine members, all of whom are non-executive, elected during the General Assembly held on 28/04/2024. They are as follows:



Name	Date of Election / Appointment	Category	Board of Directors	AC	IC	ACC	NC
Sheikha Zafar B. Mohamed Bin E. Ali	7/30/2000	Non-Executive Director	Δ				
H.E. Mohamed Dawood Alamed Al Gharbi	7/30/2000	Non-Executive Director	○		Δ		
Sheikha Zayed Bin Zayed Bin Al Mubarak	7/30/2014	Executive Director	□	□		□	
Mr. Saleh Salem Mubarak Ahmad Al Mubarak	7/30/1997	Non-Executive Director	□		□	Δ	
Mr. Mohamed Ali Al Qasbi	7/30/2000	Non-Executive Director	□	□	□		
Mr. Khalifa Zafar Dawood Al Gharbi	7/30/2012	Non-Executive Director	□	Δ			
Mr. Mohamed Mohamed Dawood Alamed Al Gharbi	7/30/2000	Non-Executive Director	□			□	□
Mr. Salem Mohamed Omar Salem Alamed	7/30/2014	Executive Director	□				Δ
H.E. Mohamed Omar Salem Alamed Al Gharbi	06/06/2005	Executive Director	□				□

On 7/30/2023, Mr. Saleh Salem Mubarak Ahmad Al Mubarak resigned his resignation from the Board of Directors following his appointment as the Company's Chief Executive Officer. Subsequently, Mr. Mohamed Khalid Mubarak Alamed Al Gharbi was appointed to fill the resulting vacancy, with his appointment approved by the General Board of the Company on 7/30/2023.

Δ = Chairman of the Board of Directors / Chairman of the Company

○ = Vice Chairman of the Board of Directors

□ = Member of the Board of Directors of its category

The experience and qualifications of the members of the Board of Directors:

Name	Experience	Qualifications
Sheikha Zafar B. Mohamed Bin E. Ali	- CEO and Deputy Owner of United Al-Sabah Group from 07/04/2000 to date - CEO and Deputy Owner of Al-Sabah Group from 07/04/2000 to date - Owner and CEO of Saf Group from 07/11/1999 to date - Former Chairman of the Board of Directors of the Bank of Sharjah from 1999 to date	Bachelor's Degree in Industrial Science from 1980
H.E. Mohamed Dawood Alamed Al Gharbi	- Chairman of the Board of Directors and Owner of Rashid Dawood Al Gharbi Commercial Company from 2007 to date - Manager and Administrative Director of Rashid Bin Alamed and Sons from 1995 to 2006 - Associate Secretary for Technical and Administrative Affairs in the Ministry of Health (UK) from 1991 to 1993 - Manager and Administrative Director of Saf Bin Dawood from 1993 to 1999	- Bachelor's Degree in Industrial Science - Master of Science Administration
Sheikha Zayed Bin Zayed Bin Al Mubarak	- Head of the Sales Department in Emirates National Oil Company (ENOC) from 2013 to present - Head of the Sales team overseeing the Department's financial budget, including revenue forecasting, cost management, and profitability goals. Collaborating with the Finance Department to ensure budget accuracy and meeting sales-related objectives	- Bachelor's Degree in Finance - Business Administration Degree from Southampton University, United Kingdom (2014/2017)
Mr. Saleh Salem Mubarak Ahmad Al Mubarak	- Executive - General Manager of Delta Industrial Company from 2006 to 2014 - Business Development Manager in Delta Insurance from 2001 to 2006 - Executive Director in Abu Dhabi Commercial Company and Omega Insurance Holding (UK branch) from 1993 to 2006 - Financial Manager in Kuwait National Ministry of Health from 1991 to 1993 - Marketing Officer in Abu Dhabi National Oil Company (ANOC) from 1983 to 1990	- Master's Degree in Industrial Science - Bachelor's Degree in Industrial Science



Positions of the Board of Directors in other Public Joint-Stock Companies (PJSC):

Mr. Khalid Saif Dawood Al Qasbi	- Executive Director with 20 years of experience in marketing and sales - Experienced in business management - Experienced in business and investment in various commercial and industrial sectors and services - Managing Director of Dawood Bin Ahmed & Sons General Company since its launch 1999 till present	Bachelor's Degree in Law from Al-Balqa University
Mr. Ali Ahmad Al-Qasbi	- Chief Executive Officer in BDO Company since its launch 2012 till 2021 - Entrepreneur from 2010 - 2017 - Chief Executive Officer and Board Member of Al-Raya Capital Firm 2008 till 2010 - Employee in the Abu Dhabi Securities Exchange from 2000 to 2006 - Entrepreneur from 1996 to 2000 - Employee in Al-Ahli (Kampuch Kamp) from 1991 to 1996 - Employee in United Arab Bank from 1992 to 1991	
Mr. Mohammed Rashid Dawood Ahmed Al-Qasbi	- Establishing a self-financed investment fund and managing an investment fund focusing on various assets and financial matters implementing investment strategies to achieve maximum return for investors (April 2015 - Present) - Director of Al-Growth Companies (March 2012 - March 2020) - Creating an investment portfolio in the US market through an investment advisor since early 2017 (Present)	Bachelor's Degree in Human Resource Management from Fayad University
Mr. Salem Mohamed Omar Salem Bakhad	- Investment Analyst, Al-Dhak Investment Company, Abu Dhabi (2017 - Present) - General Audit Al-Hal Bank, Abu Dhabi International (2016) - Teaching Assistant (Postgraduate), Fayad University, Abu Dhabi (2014)	- Collegiate Diploma - Diploma in Audit, Bachelor's Degree in Business Administration (Finance), Chartered Institute of Accountants (CICA)
Dr. Mariam Omar Salim Marai Al-Hakim	- Young Executive Director of the Early Education Sector in the Abu Dhabi Directorate of Education and Knowledge (2015 till June 2018) - Director of Early Childhood Affairs in Directorate of the Abu Dhabi Directorate of Education and Knowledge	- PhD in Education (2011) in pedagogy from Umm Al-Qura University - Master of Education (2010) in pedagogy College London (UK) - Master of Education (2009) in pedagogy and Policy (2011) in pedagogy College London (UK) - Bachelor of Science in Education (2006) in pedagogy, American University, Washington, 2011 - Fayad University, Abu Dhabi

Name	Name of the Public Joint stock or any important Position (Regulatory, government)	Designation
Mr. Khalid Saif Dawood Bin Ali Al-Qasbi	Chairman of Al-Raya Capital	Chairman
Mr. Rashid Dawood Al-Qasbi	—	—
Mr. Ali Ahmad Al-Qasbi	—	—
Mr. Shaleh Salem Mohamed Ahmed Al-Qasbi	—	Member of the BOD
Mr. Khalid Saif Dawood Al-Qasbi	—	—
Mr. Rashid Al-Qasbi	Abu Dhabi National Company for Building Materials - BODCO Vice President	- Chairman - Member of the BOD
Mr. Mohammed Rashid Dawood Ahmed Al-Qasbi	—	Member of the BOD
Mr. Salem Mohamed Omar Salem Bakhad	—	—
Mr. Ali Ahmad Al-Qasbi	—	—

On 17/09/2023, Mr. Shaleh Salem Mohamed Ahmed Al-Qasbi was removed as a resignation from the Board of Directors following his appointment as the Company's Chief Executive Officer & Chairman, Mr. Mohamed Rashid Mohamed Ahmed Al-Qasbi was appointed as the existing vacancy with his appointment approved by the General Board of the Al-Raya Capital on 21/09/2023

38. Schenck's Process

डा. अशोक - डॉ. मधुसूदन, कृपया कृपया २०००-०१ के लिए रिपोर्ट में
D. १००००.०० / १

The Board is dedicated to promoting gender diversity. As of December 31, 2023, we met our goal of 11% of the Company's Board of Directors.

12. Board of Directors Representation and Composition

Total remuneration paid to the members of the Board of Directors for the year 2004. A total remuneration proposed to be paid for the year 2005, which shall be presented in the General Assembly for approval.

[illegible]

Statement of the Board of Directors
re: reorganization.

Statement	Fiscal Year 2024	Fiscal Year 2025
Total	2024	2025
Forecast 1/1/24	4,300,000	5,450,000

358 Journal of Management Education 38(3)

Minutes for attending meetings of the Board of Directors and its committees for the fiscal year 2025:

4. Board members who noted

1. *Journal of the American Medical Association*, 1997; 278: 1019-1024.

4.2.2.2. *Revised Content and Instructional Materials*

1. **Identify the main idea of the passage.**

[illegible]

2. Motivations & Research Questions

Manager	Attendance (ACT)
Mr. S. K. Singh Mr. S. K. Singh	III
Dr. K. Singh Dr. K. Singh	III
Mr. M. K. Singh Dr. K. Singh	III

3. **Best Committee**

<u>Name</u>	<u>Attendance (Days)</u>
Mr. Salim Mohamed Omar Salim Elshahed	100
Mr. Mahmud Elmaghrabi Gehan Maria Al-Hafam	100
Mr. Mohammed Kamel Dawoud Al-Ghazal	100

4. Transient Condition

Model	Admission (AUD)
Mr. Richard Dawkins (A) (B) (C)	145
Mr. Sirhan Sirhan (A) (B) (C)	145
Mr. Richard (A) (B) (C)	145

THE JOURNAL OF THE

The total number of Board of Directors meetings conducted during the 2025 fiscal year, including the meeting dates and the count of in-person attendees by all Board members, along with details of members attending by proxy.

The Board of Directors meeting was held on March during the year 2020.

1. The total number of Board of Directors members held shares with that more than 400.

Meeting	Date of the Meeting	Number of attendees
First Meeting	17/07/2021	7
Second Meeting	20/07/2021	9
Third Meeting	23/08/2021	13
Fourth Meeting	19/09/2021	7
Fifth Meeting	12/02/2022	7
Sixth Meeting	12/11/2022	8

2. The number of general interchanges is fixed number

Name	Number of Absences
Sheikh Saif bin Mohammed bin Saif bin Ahmed	3
H. F. Rashid Dawood Al Gharbi	0
M. Saif bin Salem Masabak Hamad Alimghani	2
M. Rashid M. Al Omara	5
M. Khalifa Saif Dawood Al Gharbi	6
Sheikh Fayd bin Sheikh bin M. Almutairi	0
M. Mohammed Rashid Dawood Ahmed Al Gharbi	4
M. Salem Mohammed Omar Salem Bakkar	3
H. F. Marwan Omar Saif bin Khalifa Al Gharbi	4

22. Delegation of Executive Management by the Board of Directors

EDF's units and functions which were confirmed by the Executive Management as being relevant and approved by the EDF's Management, sign-off the approval and validity of the document.

[illegible]

المجلة ١٤٢٨ هـ / ٢٠٠٦ م

Author's address: Microsoft Research, One Microsoft Way, Redmond, WA 98073, USA. E-mail: ericniebler@microsoft.com

For more information, contact:

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Authorized Person	Delegation Authority	Duration of Delegation
Mr. Hamed Dawood R. Othman Chairman of the Board of Directors	- To manage the company's investments, funds and contracts and to sign and seal on the company's behalf any documents. - Right to sign the incorporation documents of various types of companies on behalf of the company. - The right to trade in shares and bonds, including buying, selling, pledging and releasing the pledge. - The right to manage real estate and lands owned by the company and sell, mortgage, release, and purchase them. - The right to open, manage, or close current accounts, and deposit or withdraw the company's funds with banks. - Sign on behalf of the Company any stamp or documents related to the labor world, and such world as are approved by the Board of Directors whether within the United Arab Emirates or abroad. - The right to delegate to others, including the company's managers or employees, all or some of the aforementioned matters.	The Delegation was renewed on 27/06/2024 and is valid until 02/06/2027. The renewal of the Delegation should be considered before the expiration date.
Mr. Shaleh Salem Musaib Hamed Al Majid (Chief Executive Officer)	- To sign on behalf of the Company all transactions, contracts, and documents with managers, clients, institutions, public authorities, the Chamber of Commerce and industry, and the Government of residence, education, traffic, labor, and immigration offices. This also includes the authority to sell, register, renew, and deregister vehicles owned by the Company with traffic and licensing authorities, as well as to purchase them in the Company's name. - The right to appoint, remove, and authorize lawyers, arbitrators, and experts to represent and defend the Company in all courts within the United Arab Emirates, at all levels and levels, including courts of first instance, appeal, cassation, and constitutional courts, at all stages of litigation, as well as federal courts of all levels, the Federal Supreme Court, and Shari'ah courts of all levels, including cassation and supreme appeal. The authority to Delegate all or some of the above powers to others.	The Delegation was granted on 20/09/2023 and is valid until 02/06/2027.
Mr. Waheed Alshamsi (Chief Financial Officer)	- The right to sign on behalf of the company all transactions, contracts, and documents related to work, temporary, loans, institutions, public authorities, Chamber of commerce and industry, government and business documents, traffic, labor, and immigration offices or agencies. Additionally, the authority to sell, register, renew, and deregister vehicles owned by the company with traffic and licensing documents, as well as the authority to purchase vehicles in its name. - He has the right to dismiss, appoint, and delegate lawyers, arbitrators, and experts to represent the company in all legal matters before any courts in the United Arab Emirates, at all levels and stages of litigation, including first, appeal, cassation, and constitutional courts, as well as federal and local courts, including the Federal Supreme Court and Shari'ah courts.	The Delegation was granted on 27/06/2024 and is valid until 02/06/2027.



Authorized Person	Delegation Authority	Duration of Delegation
	He has the right to Delegate to him to perform all or some of the above mentioned actions.	
Mr. Hassan Al-Rashed Legal & Compliance Manager	- Selling, mortgaging, and signing on behalf of the company for all transactions with managers, clients, federal Government, education, and other relevant institutions. - The authority to sell, register, renew, and deregister vehicles owned by the company with traffic and licensing documents, as well as the authority to purchase them in the company's name. - The right to dismiss, appoint, or engage lawyers to represent the company and act on its behalf in all courts of the UAE. - The power to release, file, issue, receive, deliver, settle, acknowledge the claimed right, waive it, and not to arbitrate, accept an offer, defend or defend a claim in the Court, or waive the taking of a legal action.	The Delegation was renewed on 02/02/2024 and 02/06/2027. The renewal of the Delegation should be considered before the expiration date.

35. Related Parties Transactions

The details of transactions made with the related parties:

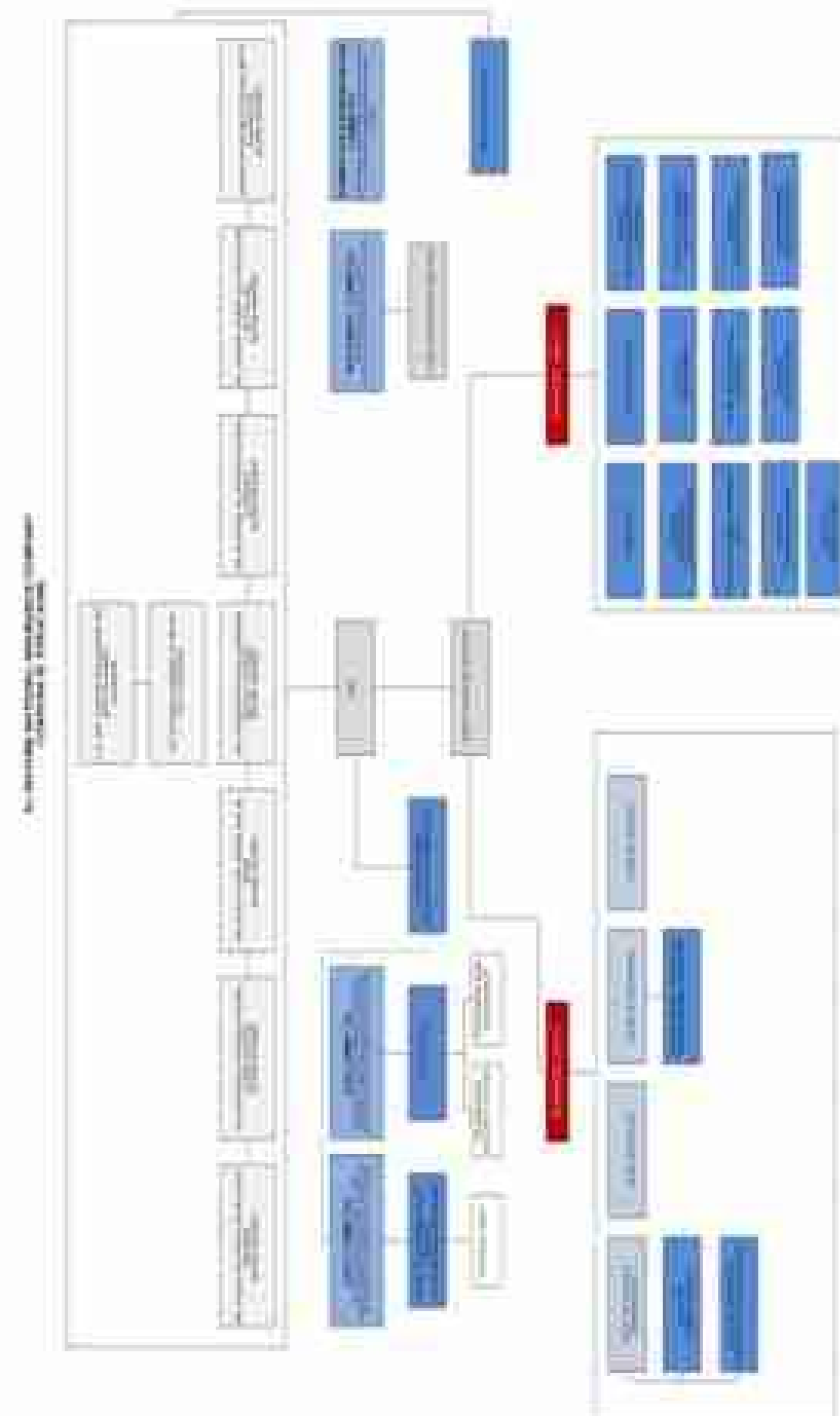
Related Party Name	Position	Insurance/Reinsurance premiums	Claims
Shahk Saif Bin Mohammed Bin Khalifa Al Nahed and his affiliated companies	Chairman of the Board of Directors	51,427,707	20,147,000
M. F. Fakhro Dawood Ahmed Al Ghil and his affiliated companies	Board Member	78,124,120	4,767,764
M. F. Fakhro Taher Mousab Al Nahed Al Nahed and his affiliated companies	Board Member	60,600	
Wahba Holding Company	Associate member	639,709	971,119
Al Wathba National Insurance	Associate member		

Through 2023, the company did not engage in any transactions with related parties that fall outside the scope of its ordinary business operations and account 0.0% of the company's capital.

36. Board Composition

- A new Board of Directors was elected during the General Assembly meeting held on 11/04/2024 in a unanimous vote for the previous Board members, and their term of office was extended by the Humiliation and Re-election Committee in March 2024.
- Al Wathba National Insurance Company engaged independent external advisors to conduct the Board of Directors' annual assessment for the year 2024, in alignment with regulatory requirements and industry best practices. The independent review was completed successfully, with results confirming that the Company is largely compliant with applicable governance regulations. The assessment highlighted the Board's strong governance culture, effective oversight mechanisms, and continued commitment to establishing robust regulatory and corporate governance standards.
- As per Report 2023, an independent audit of the Board of Directors and its committees was carried out by external advisors.

Updated as of date 23/03/2024





A. Executive Management Profile

A detailed description of the senior executive employees of the first and second level, as defined in the company's organizational structure, including their education, experience, dates, and a summary of the regulations and policies relating to them.

S.N.	Position	Date of Appointment
1	Chief Executive Officer (CEO)	1/20/2013
2	Chief Financial Officer (CFO)	03/07/2013
3	Head of Insurance and Shareholder Affairs	7/01/2013
4	Head of Distribution / Client Care	13/07/2014
5	Head of Technical Area's Department	03/07/2014
6	Head of Marketing and Business Development	13/07/2014
7	Head of Health	01/07/2014
8	Head of Legal Affairs	1/10/2013
9	Head of Strategic Planning Department	04/11/2014

Description	Number of Employees	Total Salaries and Allowances Paid From January 1, 2025, to December 31, 2025 (in AED)	Total Bonuses Paid in 2025 (in AED)	Any Other Cash-In-Kind Benefits for 2025
Executive Management	9	3,764,993	1,010,000	100

Note: Mr. Zuhair Sultan Al-Sayid Al-Sayid was appointed as the Chief Executive Officer of the company on 1/20/2013.



4. External Auditor

4A. About the External Auditor

There are no circumstances related to the company's selection of an external auditor for the year 2025. They were appointed by the General Assembly held on April 23, 2025, based on the recommendation of the Audit Committee. There are no circumstances related to the company's selection of the largest international firm in the top 40 and is one of the Big Four accounting firms.

4B. Fees for the audit and other services

Fees for the audit and other services provided by the company's external auditor during 2025, along with the number of years they have served as the company's external auditor, are detailed in the schedule below.

Name of Auditing Firm/Name of the partner auditor	PAY/ Minimum Fee
Number of years served as an auditing firm	1 year 2025
Number of years served as an external auditor	1 year 2025
Audit Fees for the 2025 Financial Statements (AUD): Fees of the consolidated financial statements for general services, including the preparation of financial statements in Arabic.	AED 104
Fees and Names of Other Services Provided in 2025 (AUD): • Fees of the company's consolidated financial statements and company laws, including the preparation of the consolidated financial statements in Arabic. • Fees related to regulatory requirements. • Fees related to year-end regulatory matters.	100,000
Statement of the services performed by an external auditor for the company's audit in 2025	No fee
The audit opinion issued by the company's external auditor on the company's annual financial statements for 2025	No fee

Figure 1. *in situ* hybridization for 5-HT_{1A} mRNA.

The Board of Directors will consider the following committees: the Audit Committee, the Management and Remuneration Committee, the Gender Parity Committee, the Ethics Committee and the Risk Committee. They shall advise the the shareholders (after they have been consulted) on the results of the meetings which include recommendations, resolutions and suggestions to the Board of Directors which will be discussed, and a final decision will be made based on the results of the meetings, and the decision will be made in accordance with the provisions of the Law of the Republic of Cuba and the provisions of the company's charter.

Audit Comments

The following table shows the results of the regression analysis for the dependent variable *Perceived Organizational Support*. The independent variables are *Organizational Commitment* and *Organizational Identification*. The table includes the regression coefficients, standard errors, t-statistics, and p-values for each variable.

Bill Clinton said: "Barack is a great champion of the small business, acknowledges his responsibility for the economic system we live in today, as well as for working to create a new mechanism and strategy for effectiveness."

13. Final Summary: How does your life
have changed?

The names of members of the $A_0(1)$ Committee, and a statement of its findings and the duties assigned therein.

Journal of Management Education 35(10)

Name	Designation
Mr. Challa Sali Darwa K. A Chair	Chairman of the Committee
Mr. Kachero M. A. Chuma	Committee Member
Shah Javed Ali, Sahil Sahil Mahmood	Committee Member

Apple Computer www.apple.com

- Monitor and review the integrity of the company's financial statements (format and quality) and the assurance that satisfactorily focuses on the following:
 - A. Any changes in accounting policies and estimates
 - B. The manner in which values in the management's documents
 - C. Substantial amendments resulting from auditing
 - D. Assumptions of business continuity
 - E. Compliance with accounting standards
 - F. Compliance with listing & disclosure rules, legal requirements, and regulatory authorities in the preparation of financial items
 - G. Main issues as to the integrity of the company's financial records and any adjustments adjusted in the light of material errors or deficiencies, and
 - H. Any other material issues concerning between the external auditor and the company's management
- Review and discuss any going concern matters concerned and be satisfied in such financial matters and economic and give the assurance or any issues raised by the Chief Financial Officer, the company officer or any other person
- Issuing a timely opinion at the end of business to members for disclosure and

- [illegible]

- Reviewing the adequacy of resources for the Internal Audit Department, reviewing its effectiveness, and assessing its contribution
- Review and approve the Internal Audit Charter and standards of internal audit
- Review assumptions, performance, competence and independence of the head of internal audit function and members of effectiveness of the internal audit function
- Review results from the internal audit, its audit findings, management responses and actions in relation to those findings and follow-up to the implementation of those actions
- Review the results of any findings or recommendations assigned & carried out by the Internal Audit function
- Monitor and annually verify the head of internal audit without management being aware
- Review the adequacy and effectiveness of the company internal control system, governance and risk management framework including information technology security and financial controls
- Review and address any internal control weakness / deficiencies in the design or operation any fraud, corruption, non-compliance with external standards and laws & regulations
- Discussing the internal control system with the Board of Directors and Senior Management and engaging the latter in the development of an efficient and effective system for internal control
- Address and the scope of internal and external audits review of internal control over financial reporting and other areas of significant findings and recommendations together with management responses
- Developing and co-ordinating and following up the implementation of corrective measures for the identified weaknesses and errors
- Reviewing the Internal Audit Department and Audit Management Department addresses issues like understanding the achievement of ethical objectives



- Review of related party transactions with the Company, including on matters relating to any material or related party transactions, audit of related party and third and other necessary recommendations to the Board.
- Ensure that the staff within the Compliance Department are sufficiently competent and adequately have the appropriate experience within the Company to ensure that compliance with the Company is managed efficiently.
- Review and approve the Compliance Policies and Procedures at least annually.
- Chair regular meetings/committee management legal & compliance issues, regarding legal & compliance matters.
- Ensuring compliance and controlling the course for communicating to code of conduct to the company's employees and monitoring compliance.
- Review the effectiveness of the Company's (PwC) compliance systems, including Whistleblowing and mitigation measures.
- Review the effectiveness of whole board mechanism and controls for oversight & demonstrated and timely.
- Review the findings of any violations by regulatory authorities and observations of the auditors.
- Review any reports issued by the Risk Committee or the Executive Committee.
- Considering any other issues determined by the Board of Directors.

25. Audit Committee meetings

The number and date of the meetings held by the audit committee and the attendance frequency

- The Audit Committee held six (6) meetings during the year 2023, in light of its assigned duties and discussed the meeting agenda items.

Meeting	Date of the Meeting
1st Meeting	11/07/2023
2nd Meeting	20/01/2023
3rd Meeting	12/03/2023
4th Meeting	25/05/2023
5th Meeting	17/08/2023
6th Meeting	11/11/2023

Attendance Record for Audit Committee Members:

Name	Number of Attendances
Mr. Khalid bin Dawood Al Gari	6
Mr. Mohamed Al Al Gharbi	5
Sheikh Fayad bin Sakal bin Al Malyoun	1

26. Audit Committee reports

The Annual Audit Committee report to the Board covers oversight of financial reporting, regulatory compliance and oversight of external audit performance, it evaluates internal controls, risk management and governance systems, while also taking other duties as outlined in its terms of reference.

27. Annual

Financial Reporting Oversight

- Reviewed - Review and approved financial results and recommended for Board approval.
- Reviewed - Annual Integrated report including sustainability & corporate governance and recommended for Board approval.

Internal Audit Oversight

- Discussed the internal audit terms, with periodic review of scope of audit work.
- Reviewed and approved Annual Internal Audit Plan.



- Reviewed changes to internal Audit Policies & Procedures and recommended for Board approval.
- Periodic review of internal Audit performance and recommendation.

Internal Audit Oversight

- Reviewed the proposals for external audit services for 2024 and recommended Internal Auditor (PwC) for the Board review and approval in General Assembly.
- Reviewed the scope of work and performance of Internal Auditor (PwC) over the past year. Reviewed the independence of the external audit firm by review of the audit and audit related service fees.
- Board of Directors may review the Audit Committee recommendation due to concerns over Auditor independence, performance, remuneration and legal issues.

Committee Meetings

- 3 meetings were held during 2023, including periodic meetings with Senior Management, Internal Auditor, External Auditor and Board.

Internal Controls, Governance, and Risk Management

- Discussed the strategies performed by internal auditor and recommended a strategy to the Board.
- Reviewed and approved the recommendations on governance documentation review & update by external company in line with new regulations from Central Bank for Insurance Companies.
- Reviewed all related party transactions.

The Audit Committee believes it has discharged its responsibilities efficiently and contributed to the enhancement of governance, risk management, and internal control within the Company.

G. Nominations & Remunerations Committee

It is a committee formed by the Board of Directors and was instructed on April 23, 2014. The Board periodically evaluates the performance to ensure compliance with the various responsibilities.

- [illegible]

42. Neurobiology & Psychological Correlates Johnson & Squire

The names of members of the Commission, its secretariat, and its members, and a list of its members and its duties, are given in the

Consenting Foundation

Sl. No.	Name	Designation
1	Mr. S. A. Zahid Ali M. Sc.	Chairman of the Committee
2	Dr. A. Zahid Ali Dr. A. Zahid Ali M. Sc.	Co-Member
3	Mr. Mohammed Rashed Dawood Ahmed M. Sc.	Co-Member

Numbered 3. **Navigation** **Content**

- Consulting, advising, and/or serving as independent Board members
- Setting the policy for granting loans, strategies, mergers, and amendments to the Company's Board members will staff relations with other

accuracy and ensuring that the topics and questions included in Social Business Management are understandable and relevant to the course's audience.

- Reviewing the company's human resources and training policy and ensuring its implementation.
- Designing the company's method of modifications in human resource Management and the staff levels and the corresponding cost thereof.
- Regulating and following up the introduction of changes in Board members & its accordance with the applicable laws and regulations and its accordance with the Charter of the company, Board of Directors' Statute in 101.1 of the 2008 Company's Corporate Governance Code of Public Shareholding Companies.

Abstract

The number and dates of the meetings held by the Moderators: A. Remondino-Cornellier and the principal members:

- 1/10/2006 10:00 AM

Meeting:	Date of the Meeting:
March 14, 2013	03/14/2013

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Movie	Attendance Frequency
M: 34, 41, 36, 40, 38, 42, 45, 40, 39, 43, 44, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100	1
L: 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100	1
M: 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100	1

7. Insiders Dealings Committee

in accordance with the provisions of Article 133 of the Company's Statute. On 11 of 07/20 concerning compliance with the provisions of articles 133 and 134 of the Statute of the Company, resolved to 1) for the year 2011 regarding the system of drinking, clearing and maintaining accounts and custody of securities, to be appointed was formed on 11/07/2012 with a mission for the management, follow up and supervision of the administration of the following items:

Mr. Alan Weiss, Chairman of the Federal Reserve Committee, acknowledges his responsibility for the committee's actions with a firm, honest, and sincere apology to the public and to the affected companies.

74. Inside Transcription: Core Promoter Elements and Their Roles

Exp. exp. 2011-08-01 to 2011-08-15. 1 to 15 days to Commercial exp.

www.elsevier.com/locate/jmb

Area	Component	Assignment
W. Asian Affairs	Legal Affairs & Stateholders Affairs	Commonwealth Challenge
W. Asian Challenge	Technical Development	Commonwealth Challenge
W. Asian Field	Legal Affairs	Commonwealth Challenge

The Functions and duties assigned to the Technical Drawing Committee are as follows:

- Set rules and regulations regarding the transactions of the Company's Board of Directors and its employees, including those who may be considered "insiders" (insiders with access to the company's internal information before its publication). The regulations include both stock and non-stock disclosures of insiders.
- Managing marketing and promoting insider transactions and business deals while maintaining the dedicated segment and achieving optimal share prices and trends in the market.
- To take all measures to ensure the complete confidentiality of the company's financial data and information to ensure that they are not misused.
- To take effective contractual arrangements to ensure that all insiders with access to internal data and company information maintain their confidentiality and do not misuse, transfer, or divulge or indirectly disclose such data to third parties.
- Require all insiders to sign official declarations acknowledging their possession of internal data and information related to the company and its shares and accepting all legal responsibilities in the event of any leakage or misuse and disclosure of such information, or if they provide advice based on the information they possess. Additionally, they may commit to notifying the company of any insider they consider on the grounds of the same or related company before and after entering such transactions.
- To confirm the availability of having the transactions of the company null or the withdrawal, accounts, and accounts of the company to the Chairman and members of the Board of Directors and the General Counsel and employees who are aware of the internal data.

- [illegible]

- Review reports used by the Audit Committee of the Executive Committee of the Company, including those relating to the management of the Company's risk management framework
- Performance related to the company's business in terms of Reference, the Company's by-laws and governing law, as the Committee of the Board deems necessary and to share
- Providing the company with a list of regulatory guidelines recommended to be followed by management
- Assessing the company's ability to sustain its business operations

THE BOLD CONJUNCTION

Number of Post-Commission Hearings and the Date of Closing for

- The 1st Commercial Field 3 earnings during the year 2023

Initial Org.	Date of Commencement
1st. Meeting	7/5/04 / 2025
Second. Meeting	7/30/04 / 2025
3rd. Meeting	8/20/04 / 2025

Number of in Person Arguments for Each
Commons Sense Model:

Name	Number of Attendances
Mr. Salem Mohamed Omar Salem Hassan	1
Mr. Mohammed Fahad Dawood Ahmed M. Gadi	1
Mr. Sultan Omer Sultan Mansour Hassan	1

10. Internal Control System

305. The County Acknowledgment of Mr. Raymond L. ...

The Board of Directors acknowledges its responsibility for the accuracy and completeness of the information included in this report and the accuracy and completeness of the financial statements and related disclosures.

The original Adult Reading Test involves the efficient reading of 10 commonly-occurring words and phrases. The findings and recommendations in the field of Dyslexia, through the use of a battery of 45 words, the Standard Progressive Reading Test, the original word recognition test, and a new word efficiency measure are being used.

[English] The following are the names of the persons who have been appointed as follows:

- Review the adequacy and effectiveness of the company's internal control system, governance and risk management framework, including information technology, and financial controls
- Evaluating an effective monitoring system to ensure compliance with the internal policies and standards that govern the company's operations
- Review and address any internal control weaknesses/deficiencies in the design or operation, any fraud, misconduct, non-compliance with policies & procedures and laws & regulations
- Investigating any irregularities of activities of interest
- Providing recommendations to Management and the Audit Committee on identified internal control weaknesses or deficiencies to enhance the overall effectiveness of the compliance system
- Review the Company's internal policies and standards to align with business requirements and ensure the adequacy of a sufficient oversight and response
- Referring any matters to be decided by the Board of Directors
- Working in tandem and in compliance with internal control system to align with the requirements of the Sarbanes Oxley and Commodities Act, 2003, as well as the Securities and Exchange Board of India (SEBI) through the following:
 - Ensuring the accuracy of the related disclosure relating forward
 - Maintaining the defined and undefined and reserves ratios
 - Reviewing and initiation of the policies and standards
 - In addition to the above, the Internal Audit Department meets annually with the Audit Committee to coordinate the development of the annual oversight and audit plan

30.4 Internal Audit Department

Manuscript received 10/10/01; revised manuscript received 1/10/02; accepted 2/10/02.

- * The head of the original Audio Design team: **Mr. Gordon Arnold**, co-writer of the movie *16/06/70* (5.34hr. has our 16 years of experience in original audio design, all experience, technical services and resources)

Supplementary Information

- ¹² *Charged Accounts as a Consequence of Charge Card Account Closure*

* **Adm. Services Board** announced her resignation from her position, with her last working day being 31/05/2025.

12B. Comparative performance of the company's share

A statement of the comparative performance of the company's share with the related index and the sector index to which the company belongs during the year 2022



12C. Company's Shareholding Distribution

A statement of shareholding distribution as of 31/12/2022

Shareholder Category	Individual		Corporate		Government		Total
	Share Hold	%	Share Hold	%	Share Hold	%	
Total	80,799,497	100.00	716,710,111	88.97	0.00	0.00	797,509,608
Foreign	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	80,799,497	100.00	716,710,111	88.97	0.00	0.00	797,509,608

12D. Shareholders Holding 5% or More of the Company's Capital

A statement of Shareholders Holding 5% or More of the Company's Capital as of 31/12/2022

Sl. No.	Name	Number of Shares Held	% of the Shares Held of the Company's Capital
1	Dr. Khalid B. Al-Fayed & Co. S.A. Co.	67,046,143	8.40
2	United Al-Salam & Co. S.A. Co.	15,175,000	1.90
3	Al-Salam & Co. S.A. Co.	10,000,000	1.26
4	Al-Salam & Co. S.A. Co.	10,000,000	1.26
5	Al-Salam & Co. S.A. Co.	10,000,000	1.26
6	Al-Salam & Co. S.A. Co.	10,000,000	1.26
7	Al-Salam & Co. S.A. Co.	10,000,000	1.26

12E. Shareholder Distribution According to Ownership Size

A statement of Shareholder Distribution by the size of equity as of 31/12/2022

Sl. No.	Ownership Size	Number of Shareholders	Number of Shares Held	% of the Shares Held of the Capital
1	Less than 10,000	171	1,780,100	0.22
2	From 10,000 to less than 100,000	67	9,152,000	1.15
3	From 100,000 to less than 1,000,000	17	22,777,000	2.86
4	More than 1,000,000	4	17,190,000	2.16



A



04 FINANCIAL STATEMENTS

Al Wathba National Insurance Company PJSC

Board of Directors' report and consolidated financial statements

For the year ended 31 December 2025

Al Wathba National Insurance Company PJSC

**Board of Directors' report and consolidated financial statements
for the year ended 31 December 2025**

Contents	Pages
Board of Directors' report	i
Independent auditors' report	2 - 11
Consolidated statement of financial position	12
Consolidated statement of profit or loss	13
Consolidated statement of profit or loss and other comprehensive income	14
Consolidated statement of changes in shareholders' equity	15
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Principal business address:
Al Wathba National Insurance Company PJSC
P.O. Box 48154
Abu Dhabi
UAE



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Board of Directors Report

For the Financial Year Ended 31/12/2025

The Board of Directors of Al Wathba National Insurance Company is pleased to present the Annual Report for the Financial Year 2025, summarizing an overview of the company's business operations and activities. This report is accompanied by the audited financial statements for the Financial Year ended on December 31, 2025, providing stakeholders with comprehensive insight into the company's performance, achievements, and strategic initiatives undertaken during the reporting period.

The Company delivered an exceptional performance during the year, achieving a significant increase in insurance revenue. Insurance revenue for the year reached AED 111 million, compared to AED 116 million in 2024, representing more than a 10% increase. This strong growth reflects the successful execution of the Company's strategic initiatives, strengthened underwriting capabilities, and the continued efforts of the staff and partners in the Company's insurance solutions.

The year 2025 also marked a major milestone in the Company's core business operations. The Company reported a net income before tax of AED 34 million, compared to a loss of AED 34 million in the previous year. This improvement reflects enhanced underwriting discipline, improved risk selection, effective pricing strategies, and laser-pointed management focus on cost efficiency.

The Company's overall financial performance showed a substantial improvement. Net profit before tax reached AED 100 million, compared to AED 19 million in 2024. The strong financial results were driven by the combined effect of improved underwriting performance, continued premium growth, and positive investment performance, supported by prudent financial and risk management practices.

As the insurance market continues to evolve with increasing competition, the Company remains committed to sustaining its growth momentum while maintaining disciplined underwriting and strong risk management. Strategic initiatives focused on digital transformation, operational efficiency, enhanced customer experience, and regulatory compliance will continue to play key roles in strengthening the Company's market position and corporate profitability.

The Board of Directors is proud to be supported by highly skilled and dedicated team members. We extend our sincere appreciation to the Board of Directors, the President of the United Arab Emirates and Ruler of Abu Dhabi - and His Highness Sheikh Mohammed bin Zayed Al Nahyan - Vice President & Prime Minister of the United Arab Emirates - Ruler of Dubai - and the Ruler of Ajman of Abu Dhabi, His Highness Sheikh Mohammed bin Abdulla bin Zayed Al Nahyan, and the staff of the Company for their unwavering support for the progress of the company and its strategic initiatives, including the Al Wathba National Insurance Company.

Lastly, we express our profound appreciation to the employees of Al Wathba National Insurance Company for their dedication, hard work, and unwavering commitment, which have been the backbone of our success. It is through your collective efforts and contributions that we have achieved significant milestones and sustained growth. As we look towards the future, we remain confident in our collective ability to navigate challenges and seize opportunities, guided by our shared vision and values.

On behalf of the Board of Directors, we extend our best wishes for continued success and progress to all stakeholders, and we reaffirm our commitment to upholding the highest standards of integrity, transparency, and excellence in all our endeavors.

Sheikh Sultan Mohammed bin Bani Al Nahyan
Chairman

AL WATHBA NATIONAL INSURANCE COMPANY P.L.S.C.

Telephone: (02) 551 3333
2025-2026 Financial Year
Subsidiary: 2025-2026

2025-2026 Financial Year
Subsidiary: 2025-2026

2025-2026 Financial Year
Subsidiary: 2025-2026



Independent auditor's report

To the Shareholders of Al Wathba National Insurance Company, PJSC

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Al Wathba National Insurance Company, PJSC (the "Company") and its subsidiaries (together the "Group") as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in shareholders' equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers Limited (PwC) is a member firm of the PwC network, which is a global organization of member firms, each of which is a separate legal entity. PwC is a member firm of the PwC network.

1. PwC is a member firm of the PwC network, which is a global organization of member firms, each of which is a separate legal entity. PwC is a member firm of the PwC network.

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Independent auditor's report (continued)

To the Shareholders of Al Wathba National Insurance Company PJSC

Basis for opinion (continued)

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code") as applicable to audits of financial statements of public interest entities and the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our audit approach

Overview

Key Audit Matters	
Valuation of the liability for incurred claims ("LIC") within insurance contract liabilities	
Valuation of investment properties	

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Independent auditor's report (continued)

To the Shareholders of Al Wathba National Insurance Company PJSC

Our audit approach (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of the liability for incurred claims ("LIC") within insurance contract liabilities	
As at 31 December 2023, the liability for incurred claims amounted to AED 600,484,185 (31 December 2022: AED 600,416,253) which comprises of the estimated present value of cash flows and the risk adjustment for non-financial risk, as disclosed in Note 22.1 of the consolidated financial statements.	We performed the following procedures: - Understood, assessed the design and implementation and tested the operating effectiveness of key controls around claims handling and actuarial reserving processes. - Evaluated the competence, capabilities and objectivity of management's appointed actuary based on their professional qualifications and experience and assessed their independence. - Assessed the integrity of data used as input into the actuarial valuations by testing, on sample basis, the accuracy of underlying claims data used by management's appointed actuary in calculating the present value of the future cash flows and risk adjustment for non-financial risk by tracing it to the supporting evidence and other accounting records. - Performed substantive procedures, on a sample basis, on the amounts recorded for claims notified and unpaid, including comparing the outstanding claims amount to loss adjuster reports and / or other supporting evidence to evaluate the valuation of the ultimate expected claims. - Compared on a sample basis, the outstanding claims reserves with the subsequent payments if settled, or subsequent reserve amounts if unsettled. - Obtained legal confirmations and checked on a sample basis the outstanding claims reserves against the legal confirmation against the accounting records and other supporting evidence and inquired with management about their reason for long outstanding claims.
The present value of future cash flows is based on the best estimate of the ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with the directly attributable expenses. The risk adjustment for non-financial risk is applied to the present value of future cash flows and it reflects the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils its insurance contracts.	
The measurement process involves a number of actuarial estimation methods and assumptions which are subjective in nature. The estimation of the present value of future cash flows is derived from historical claims experience and is sensitive to external factors, such as claims costs and inflation, as well as to the actuarial techniques applied and the assumptions made regarding current and future claims development.	

Independent auditor's report (continued)

To the Shareholders of Al Wathba National Insurance Company PJSC

Our audit approach (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of the liability for incurred claims ("LIC") within insurance contract liabilities (continued) Given the inherent estimation uncertainty and significant judgment involved in measuring the LIC, including assumptions relating to claims frequency, severity and settlement patterns and considering the materiality of these balances, this area was determined to be a key audit matter. Refer to Notes 2.5 and 3.10 for the use of judgment and estimates and material accounting policies applied by the Group in measuring the LIC.	- Engaged our internal actuarial specialists to evaluate the Group's actuarial practices and processes established, including the actuarial report issued by management's appointed actuary, by performing the following: - Evaluated whether the Group's actuarial methodologies were consistent with generally accepted actuarial practices. - Assessed the appropriateness of key judgments and actuarial assumptions including expected loss ratios and claims development. We tested these assumptions by comparing them with the Group's historical experience and our own industry knowledge and investigated any unusual variations. - Performed independent replications of the present value of future cash flows and risk adjustment for non-financial risk for significant portfolios of insurance contract based on the actuarial assumptions and methods and compared them with the amounts recorded by management. - Assessed the adequacy and appropriateness of the related disclosures in the consolidated financial statements.

Independent auditor's report (continued)

To the Shareholders of Al Wathba National Insurance Company PJSC

Our audit approach (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties As at 31 December 2023, the Group's investment properties constitute a significant proportion of the Group's total assets and are measured at fair value. As at 31 December 2023, the fair value of investment properties amounted to AED 600,000,000 (31 December 2024: AED 600,038,213) as disclosed in Note 10 of the consolidated financial statements. The Group engaged with independent real estate valuation experts to determine the fair value of the investment properties in accordance with RICS Valuation - Global Standards ("Red Book") and IFRS 13 - Fair Value Measurement, through the application of valuation techniques such as market approach, income approach and residual method. These valuations often involve the exercise of judgment, use of certain assumptions as it relates to future rental rates, capitalisation rates, discount rates and comparable sales prices. Due to the financial significance, subjectivity, estimation uncertainty and complexity involved for the level 3 valuation methodologies, we have considered the valuation of investment properties as a key audit matter. Refer to Notes 2.5, 3.8 and 3.10 for the use of judgments and estimates, material accounting policies and fair value hierarchy of the investment properties.	We performed the following procedures: - Understood, assessed the design and implementation and tested the operating effectiveness of key controls around the valuation of investment properties. - Evaluated the competence, capabilities and objectivity of management's appointed internal real estate valuation experts based on their professional qualifications and experience and assessed their independence. We read their terms of engagement with the Group to determine if the scope of their work was sufficient for audit purpose and to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations on their work. - Assessed the accuracy of the key inputs, on a sample basis, used for the valuation of investment properties by the Group's internal real estate valuation experts by tracing it to the supporting evidence. - Obtained the external valuation reports for all the investment properties, checked their mathematical accuracy and assessed for properties above AED 50 million, whether management has taken an average of the two valuations for investment properties where two valuations were involved. - Engaged our internal real estate valuation experts to review the assumptions and methodology used by management's real estate valuation experts and to review the fair value of investment properties.



Independent auditor's report (continued)

To the Shareholders of Al Wathba National Insurance Company PJSC

Our audit approach (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties (continued)	- Performed substantive procedures, on a sample basis, on the addition and disposal of investment properties recorded during the year and checked those against the supporting evidence and other accounting records. - Assessed the adequacy and appropriateness of the related disclosures in the consolidated financial statements.

Other information

The Directors are responsible for the other information. The other information comprises the Board of Directors' report (but does not include the consolidated financial statement and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Group's 2025 Annual Report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



Independent auditor's report (continued)

To the Shareholders of Al Wathba National Insurance Company PJSC

Other information (continued)

If, based on the work we have performed on the other information that was obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Group's 2025 Annual Report, if we conclude that there is a material misstatement thereon, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors and those charged with governance for the consolidated financial statements

The Directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Decree-Law No. (34) of 2001, as amended, the UAE Federal Decree-Law No. (6) of 2005 and the related Financial Regulations for Insurance Companies and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ERM will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.



Independent auditor's report (continued)

To the Shareholders of Al Wathba National Insurance Company PJSC

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



Independent auditor's report (continued)

To the Shareholders of Al Wathba National Insurance Company PJSC

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless we or regulation conclude public disclosure about the matter is not in the public interest. In extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Further as required by the UAE Federal Decree-Law No. (32) of 2021, as amended, we report that:

- (i) we have obtained all the information we considered necessary for the purposes of our audit;
- (ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Decree-Law No. (32) of 2021, as amended;
- (iii) the Group has maintained proper books of account;
- (iv) the financial information included in the Board of Directors' report is consistent with the books of account of the Group;
- (v) as disclosed in notes 2.1.6 and 7 to the consolidated financial statements the Group has purchased or invested in shares during the year ended 31 December 2023;
- (vi) note 18 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted;

Al Wafaa National Insurance Company PJSC

Consolidated statement of profit or loss

Note	For the year ended 31 December	
	2015	2014*
	A.E.D 000	A.E.D 000
Insurance revenue	11.1.1.1	761,141
Insurance services in general	11.1.1.1	(634,115)
Revenues for contracts from reinsurers for reinsurance	11.1.1.1	104,877
Reimbursement of reinsurance premiums	11.1.1.1	(517,768)
Insurance service results		14,035
Income from other financial assets (non-medical)	10a.1	1,074
Change in fair value of investment properties, net	10.10a.1	16,911
Income from investment properties (non-medical)		5,544
Carrying charges of investment properties		5,150
Other income from investments, net	10.10a.1	91,111
Other investment expenses	10a.1	(5,767)
Net investment income	10a.1	138,124
Finance expenses from insurance contracts issued	11.1	(14,351)
Finance income from insurance contracts held	11.1	3,190
Net insurance finance expenses	11	(15,161)
Net insurance and investment results		157,058
Other income		131
Other operating expenses	11	(58,391)
Other finance costs		(6,716)
Share of profits of equity-accounted investees	11.10a.1	5,784
Impairment loss of equity-accounted investees	11.10a.1	(10,000)
Profit for the year before tax		100,885
Income tax credit	11	(6,604)
Profit for the year after tax		94,281
Earnings per share		
Basic and diluted earnings per share (A.E.D.)	11	0.46

* Reforms Adb 15 for the change in the comparative information

Al Wafaa National Insurance Company PJSC

Consolidated statement of profit or loss and other comprehensive income

Note	For the year ended 31 December	
	2015	2014*
	A.E.D 000	A.E.D 000
Profit for the year after tax		94,281
Other comprehensive income (loss)		
Items that will not be reclassified to the consolidated statement of profit or loss in subsequent periods		
Share of other comprehensive income of equity-accounted investees	11	4,117
Reclassification of defined benefit obligations	16	(871)
Loss on sale of financial assets at fair value through other comprehensive income, net		(11,691)
Change in fair value of financial assets at fair value through other comprehensive income, net	6	(150,001)
Revised income tax impact	11	1,166
Other comprehensive income for the year		(157,888)
Total comprehensive income (loss) for the year		(11,045)

Al Wathba National Insurance Company P.S.C

Consolidated statement of changes in shareholders' equity

Note	Share capital A.E.D'000	Legal reserve A.E.D'000	Statutory reserve A.E.D'000	General reserve A.E.D'000	Capital reserve A.E.D'000	Reinsurance risk reserve A.E.D'000	Unrealized reserve A.E.D'000	Retained earnings A.E.D'000	Total A.E.D'000
Balance at 1 January 2015 (Audited annually by the company)	107,000	101,500	51,750	21,753	9,474	1,991	101,327	305,961	1,110,117
Profit for the year	-	-	-	-	-	-	-	16,799	16,799
Other comprehensive income for the year	-	-	-	-	-	-	157,322.1	-	157,322.1
Total comprehensive income for the year	-	-	-	-	-	-	157,322.1	16,799	174,121
Transfer for transferred earnings and change of financial status in the value through other comprehensive income	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-
Transfer from transferred earnings to reinsurance risk reserve	-	-	-	-	-	1,146	-	11,146	-
Balance at 31 December 2015	107,000	101,500	51,750	21,753	9,474	1,311	1,475	313,355	1,127,431
Balance at 1 January 2015	107,000	103,300	51,756	22,753	9,474	3,127	14,452	319,165	1,119,442
Other comprehensive income for the year	-	-	-	-	-	-	-	94,179	94,179
Total comprehensive income for the year	-	-	-	-	-	-	-	94,179	94,179
Dividend paid	-	-	-	-	-	-	-	-	-
Transfer from transferred earnings to reinsurance risk reserve	-	-	-	-	-	1,071	-	11,071	-
Balance at 31 December 2015	107,000	103,300	51,756	22,753	9,474	5,206	1,510	398,105	1,134,530

The board of directors on pages 12 to 54 Form an integral part of these consolidated financial statements.
The independent auditor's report on the consolidated financial statements is set out on pages 1 to 11

(15)

Al Wathba National Insurance Company P.S.C

Consolidated statement of cash flows

Note	For the year ended 31 December	
	2015 A.E.D'000	2014* A.E.D'000
Cash flow from operating activities		
Profit for the year before tax	100,020	79,181
Adjustments for:		
Changes in fair value of financial assets at fair value through profit or loss, net	7	(36,182)
Gain on disposal of financial assets at fair value through profit or loss, net	19	(14,750)
Gain on disposal of property and equipment	-	82
Gain on disposal of intangible property	-	(5,250)
Provision for employees' and of services benefits	18	1,419
Depreciation of property and equipment	12	1,400
Share of profit of associates	11	(5,759)
Impairment loss on investment in associates	11	10,009
Allowance of impairment of financial assets at amortised cost	-	1,162
Changes in fair value of intangible properties	10	(32,911)
Finance costs	-	6,714
Dividend income	19	(36,101)
Interest income	24a	(1,076)
Net cash used in operations before reclassification of operating assets and liabilities	114,799	(45,291)
Changes in:		
Receivables and interest receivables	23	9,172
Payments and other receivables	9	(1,756)
Insurance contracts liabilities	23	89,100
Receivables from insurance liabilities	23	(1,129)
Assets and expenses and other payables	17	(12,716)
Cash generated from operations	-	85,961
Employees' and of services benefits paid	18	(129)
Net cash generated from operating activities	85,605	17,401

The board of directors on pages 12 to 54 Form an integral part of these consolidated financial statements.
The independent auditor's report on the consolidated financial statements is set out on pages 1 to 11

Al Wathba National Insurance Company PJSC

Consolidated statement of cash flows (continued)

Notes	For the period ended 31 December	
	2025 AED 000	2024 ^a AED 000
Cash flow from investing activities		
Purchase of property and equipment	12	(1,132)
Additions to investment properties	10	(71,571)
Purchase of financial assets at fair value through profit or loss	7	(6,534)
Purchase of financial assets at fair value through other comprehensive income	8	-
Proceeds from sale of property and equipment	12	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	8	-
Proceeds from disposal of financial assets at fair value through profit or loss	7	50,620
Proceeds from disposal of investment property	10	11,000
Placement of term deposits	9	(14,968)
Maturity of term deposits	9	-
Repayment of funds in Lloyd's	20	(49,135)
Interest received		1,996
Dividends received from associates	11	121
Dividends received from other investments	19	36,109
Net cash used in investing activities		(63,519)
Cash flow from financing activities		
Finance cost paid		(6,147)
Repayment of borrowings	15	(47,733)
Term loan received	15	30,000
Dividends paid	14	(41,400)
Net cash used in financing activities		(65,280)
Net decrease in cash and cash equivalents		(12,801)
Cash and cash equivalents at 1 January		31,848
Cash and cash equivalents at 31 December	5	19,047

^a Refer to Note 1/9 for the changes in the non-current information.

There are no non-cash transactions for the years ended 31 December 2025 and 2024.

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025

1 Legal status and principal activities

Al Wathba National Insurance Company PJSC (the "Company"), incorporated in Abu Dhabi, is registered as a public shareholding Company in accordance with the UAE Federal Law No. (2) of 1994 (as amended) and is governed by the provisions of Federal Decree Law No. (6) of 2025 regarding the Central Bank Regulation of Financial Institutions and Activities and Insurance Business which was issued and became effective on 15 September 2025 which repealed the UAE Federal Law No. (42) of 2023 on the Organisation of Insurance Operations (insurance companies are given one year from the date of the entry into force of a provision from 15 September 2025 (the transitional period) to comply with the provisions of Federal Decree Law No. (6) of 2025). Federal Decree Law No. (127) of 2021, as amended concerning the Commercial Companies, Central Bank of UAE Board of Directors' Decision No. (29) of 2018 pursuant to Financial Regulations for insurance companies and Central Bank of UAE Board of Directors' Decision No. (23) of 2019 concerning Insurance Agenting Revenue Operations.

The Company's principal activity is the writing of general insurance business of all classes. The Company operates its registered head office in Abu Dhabi and branch offices in Dubai, Ajman, and Sharjah. The Company is domiciled in the United Arab Emirates, P.O. Box 45154, Abu Dhabi, United Arab Emirates. The Company's shares are listed on Abu Dhabi Securities Exchange (ADX).

2 Basis of preparation

2.1 Basis of consolidation

The consolidated financial statements comprise the financial results of the Company and its following subsidiaries (together "the Group"):

Subsidiary	Principal activity	Country of incorporation	Ownership
AWNIC Investments Limited	Investment Management	Cayman Islands	100%
Al Wathba Real Estate Development LLC ^a	Real Estate	United Arab Emirates	100%
Wathba Integrated Business Solutions Limited ^{a,b}	Office administration services	United Arab Emirates	100%
Comsun 11 LLC ^c	Real Estate	United States	100%
Comsun 14B LLC ^c	Real Estate	United States	100%
SB ³ Space Concepts LLC ^c	Real Estate	United States	100%
Prorsoc Cell 27 ^{a,b,c}	Reinsurance	England and Wales	100%

^a During the year 2022, the Group has formed a Limited Liability Company, as its subsidiary named as "Al Wathba Real Estate Development LLC", registered on 22 October 2022 in accordance with the provisions of the Federal Decree Law No. 28 of 2021, as amended concerning the Commercial Companies which is registered and established in Dubai. Al Wathba Real Estate Development LLC has not operated as at end of the year ended 31 December 2025.

^{a,b} During the year 2025, the Group formed a Private Company, as its subsidiary named as "Wathba Integrated Business Solutions Limited", registered on 27 August 2025 in Abu Dhabi Global Market (ADGM) as an unregulated company.

^{a,b,c} During the year 2025, the Group formed a private cell company, "Prorsoc Cell 27" within L26 PCC Ltd, which is a Prorsoc Cell Company domiciled in the UK, providing the legal framework, for such arrangements. Prorsoc Cell 27 will fund its operation in Lloyd's through a corporate member and will enable the Group to participate in the Lloyd's Market in order to achieve the Group's revenue diversification strategy for the year ending 31 December 2026.

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

2 Basis of preparation (continued)

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and comply with applicable requirements of the Federal Decree Law No. (18) of 2025 regarding the Central Bank, Regulation of Financial Institutions and Activities, and Insurance Business, the Federal Law Decree No (32) of 2021, as amended concerning the Commercial Companies and Central Bank of UAE Board of Directors' Decree No (25) of 2014 Pertain to Financial Regulations for Insurance Companies and Central Bank of UAE Board of Directors' Decree No (23) of 2019 concerning Insurance Operating Requirements.

The Group's consolidated statement of financial position is not prepared using a current/non-current classification. However, the following balances would generally be classified as current: cash and cash equivalents, term deposits, prepayments and other receivables, acquired expenses and other payable and. The following balances would generally be classified as non-current: property and equipment, financial assets as measured cost, investment in associates, investment properties and deferred income liability. The following balances include both current and non-current portions: financial deposits, employees' and of service benefits, various receivables assets, insurance contract liabilities, financial assets as fair value through other comprehensive income, financial assets as fair value through profit or loss, and borrowings.

2.2 Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention except for the following:

- Investment properties, financial assets as fair value through profit or loss and financial assets as fair value through other comprehensive income which are carried as fair value and employees' and of service benefits which are measured using the projected unit credit method under IAS19.
- Groups of insurance and reinsurance contracts, which are measured under the premium allocation approach. The details of the Group's financial accounting policy, information and measurement approach are included in note 3 of the consolidated financial statements.

2.3 Functional and reporting currency

These consolidated financial statements are prepared in United Arab Emirates Dirhams ("AED"), which is the Company's functional and presentation currency. Except as indicated, financial information presented in AED has been rounded to the nearest thousand.

2.4 Use of judgements and estimates

While applying the accounting policies as listed below, management has made certain judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Estimates and judgements in relation to recognition and measurement of IFRS 17 insurance and reinsurance contracts are detailed below:

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

2 Basis of preparation (continued)

2.5 Use of judgements and estimates (continued)

(a) Significant estimates

The significant judgements and estimates made by management that have the most significant effects on the amounts recognised in the consolidated financial statements are set out below:

(i) Measurement of the expected credit losses

When measuring Expected Credit Losses ("ECL") on financial assets, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movements of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the differences between the contractual cash flows due and those that the lender would expect to receive, considering cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

(ii) Fair value of investment properties

The fair value of investment properties is determined by independent valuers or valuation consultants using one of the following approaches: Income Capitalisation Approach, Sales Comparison Approach or Residual method of valuation. The income method capitalisation approach analyses potential rental income from the property taking into account expected rental growth and deducts the expenses incurred in the operation of the asset. Such valuations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual values realised. Refer to Note 25.

(b) Other significant judgements

The following are key judgements and estimates which the Group applied as a result of IFRS 17. Significant judgements in relation to various contracts is included under note 3.12 (d) above. The Group has elected to determine cumulative results for each annum reporting period, and estimates made by the Group in previous consolidated consolidated annual financial information will not be considered when applying IFRS 17 in subsequent interim periods as in the annual consolidated financial statements.

(c) Best Estimate of Liability

The best estimate liability (BEL) represents the explicit, unbiased and probability-weighted best estimate (expected value) of the future cash outflows minus the future cash inflows that arise when the Group fulfils its obligations with respect to the insurance contracts. The BEL thus includes the effects of discounting, allowing for financial risks that are not included in the estimate of the cash flows.

The Group will make use of the following assumptions to project the cash flows for the non-life business where required:

- Expected premium receipt pattern
- Expected claims ratio
- Expected mortality rate/percentage
- Expected lead time
- Expected incidence of risk event
- Expected claims payment pattern

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

- 2 Basis of preparation (continued)
- 15 Use of judgements and estimates (continued)
- (d) Areas of significant judgements (continued)

Best Estimate of Liability (continued)

For the measurement of the liability for incurred claims (LIC), the Group selects the BIFR estimation methodology based on the nature, variability and availability of the underlying portfolio. Depending on portfolio characteristics and the availability of historical claims data, the estimation approach may include the chain-ladder, Bornhuetter-Ferguson or expected loss ratio techniques or a blended application of these methods, with different choices within the same line of business potentially measured using different approaches. In general, commercial lines are predominantly measured using the expected loss ratio method, reflecting higher variability arising from lower claim frequency and higher claim severity, as well as lower volumes across many portfolios, whereas retail lines typically apply a blended approach supported by higher claim frequency and more available and granular claims experience.

The chain-ladder technique involves an analysis of historical claims development factors and the selection of assumed development factors based on this historical pattern. The selected development factors are then applied to cumulative claims data for each accident year that is not yet fully developed to produce an estimated ultimate claims cost for each accident year. The chain-ladder technique is the most appropriate for those accident years and classes of business that have reached a relatively stable development pattern. The chain-ladder technique is less suitable in cases in which the Group does not have a developed claims history for a particular type of claim.

The Bornhuetter-Ferguson method is a combination of a benchmark, or market-based estimate and an estimate based on claims experience. The former is based on a measure of exposure, such as gross or net written premium. The latter is based on the paid or incurred claims in date. The two estimates are combined using a cumulative go-to-market weight to the experience-based estimate over time. This technique has been used in situations in which developed claims experience was not available for the projection (this is in relation to recent accident years or new products).

Cash flows within the boundary of a contract derived directly to the fulfilment of the contract, including those for which the Group has discretion over the amount, timing. These include payments (or a on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Discount rate

Discount rates are primarily used to adjust the estimate of future cash flows to reflect the time value of money and to account for interest on the best estimate liability and risk adjustment. After estimating the future cash flows arising from the insurance contracts, discounting shall be used to calculate the present value of these cash flows, in order to reflect the time value of money and the financial risks associated with those cash flows. This is done in the vision that the financial risks are not already included in the cash flows estimate.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

- 2 Basis of preparation (continued)
- 15 Use of judgements and estimates (continued)
- (d) Areas of significant judgements (continued)

Discount rate (continued)

The discount rate applied to the estimate of the future cash flows in discounting shall:

- Reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts;
- Be consistent with observable current market prices (if any) for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts, in so far as, for example, timing, currency and liquidity; and
- Exclude the effect of factors that influence observable market prices but do not affect the future cash flows of the insurance contracts.

The build-up approach was used to determine the discount rate for all insurance and reinsurance contracts. Under this approach, risk-free yield curves published by the European Insurance and Occupational Pensions Authority (EIOPA) are used as the base risk-free rate. These yield curves are applied without volatility adjustment, as they represent an appropriate risk-free benchmark that is consistent with IFRS 17 principles.

To reflect country-specific market conditions, a UAE country risk premium is added to the EIOPA risk-free yield curve to derive UAE-specific discount rates. The country risk premium incorporates a volatility component, which implicitly reflects market uncertainty and any residual illiquidity considerations. As a result, no separate explicit illiquidity premium is applied. The Group's non-life insurance and reinsurance contracts are predominantly short-tailed in nature and do not generally exhibit significant illiquid characteristics, and therefore this approach is considered appropriate and consistent with IFRS 17.

The yield curves that were used to discount the estimate of future cash flows are as follows:

Financial Year	1 Year	3 Years	5 Years	10 Years	20 Years
31 December 2025	4.07%	3.98%	4.11%	4.43%	4.92%
31 December 2024	4.84%	4.72%	4.88%	4.75%	4.78%

Risk adjustment

The Risk Adjustment (RA) for non-financial risk represents the compensation the Group requires for bearing the uncertainty in the amount and timing of future cash flows arising from non-financial risks as the Group fulfils its insurance contracts. For the liability for incurred claims, the Group determines the Risk Adjustment using regulatory reserve risk factors. The estimation is based on the risk factors prescribed by the Central Bank of the UAE (CBUAE) for regulatory capital modelling calculations at a 99% confidence level. Accordingly, the Risk Adjustment represents the difference between the value at risk at the 99th percentile and the expected present value of the future cash flows. The Group has assessed the implied confidence level of the combined liability for incurred claims and the Risk Adjustment for its portfolio, which usually falls within the range of 85% to 95%, thereby supporting the appropriateness of the selected calibration for disclosure purposes. The Group applies the IFRS 17 Premium Allocation Approach (PAA) following an eligibility assessment. Under this approach, a Risk Adjustment for the Liability for Remaining Coverage (LRC) is recognised only when a group of contracts is identified as onerous.

Al Wafha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

2 Basis of preparation (continued)

2.5 Use of judgments and estimates (continued)

Covered Contract - (an component)

The Group assumes that no contract in the portfolio are entered as initial recognition, unless facts and circumstances indicate otherwise. The Group assumes, where contracts that are not entered as initial recognition have no significant possibility of becoming onerous, subsequently, by assessing the likelihood of changes in applicable facts and circumstances.

At any time during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group shall calculate the difference between:

- a. The carrying amount of the liability for remaining coverage; and
- a. The fulfillment cash flow that is related to the remaining coverage of the group.

Measurement of expenses

The Group has defined acquisition expenses as the cost of selling, underwriting and issuing a group of insurance contracts as per IFRS 17, requirements. The Group has defined acquisition costs as are (liable to a contract (a group of contracts)) if the cost is incurred to acquire a specific contract (a group of contracts) (as opposed to new business in general).

Insurance acquisition cash flows allocated to a group are deferred and recognized over the coverage period of contracts in a group.

Under IFRS 17, attributable costs refer to costs that are either fully or partially related to insurance operations. These costs are allocated to the group of insurance contracts level, while non-attributable expenses are recognized directly in the consolidated statement of profit and loss.

The allocation of expenses must be made in a systematic and rational manner that reflects the transfer of services provided by the insurer over the coverage period. All general and management expenses incurred by the Group in a particular year will be allocated to groups of contracts whose for the same year, based on a systematic and rational basis.

Both acquisition and attributable costs fall under the insurance service expense. While the non-attributable costs are reported under other operating expenses.

3 Material accounting policy information

The Material accounting policy information applied in the preparation of these consolidated financial statements are summarized below. These policies have been consistently applied to each of the years presented, unless otherwise stated.

3.1 Leases

At recognition of assets and, the Group assesses whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset of time in exchange for consideration.

(a) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

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Al Wafha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Material accounting policy information (continued)

3.1 Leases (continued)

(a) As a lessee (continued)

However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured as cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset at the end of which a liability for any lease payments is expected. Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and impairment losses and adjusted for certain lease modifications of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease contract. If that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or an appropriate change in the assessment of whether a purchase or extension option is, or is not, reasonably certain to be exercised or a termination option is, or is not, reasonably certain not to be exercised. The Group has applied a judgement to determine the lease term for some lease contracts in which it is a lessee that includes renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized.

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Short-term leases and leases of low-value assets

(b) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

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Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Material accounting policy information (continued)

3.1 Leases (continued)

(A) Finance lease (continued)

To classify each lease, the Group makes an initial assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. This is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators, such as whether the lease is for a major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It measures the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. The head lease is a short-term lease to which the Group applies the exemption described above then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'income from investment properties'.

3.2 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount if recognition as a separate asset is appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to profit or loss in the period they are incurred.

Depreciation is calculated so as to write off the cost of property and equipment less their estimated residual values, on a straight-line basis over their expected useful economic lives. The useful lives used for this purpose are:

Assets	Useful lives in years
Building	20
Furniture and fixtures	2 - 4
Motor vehicles	4
Computer equipment	4

The asset's residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Material accounting policy information (continued)

3.2 Property and equipment (continued)

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the consolidated statement of profit or loss.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount.

3.3 Investment properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at fair value with any change therein recognized in operating income in the consolidated statement of profit or loss. Where the use of a property changes such that it is reclassified as property and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting. The Company holds investment properties which are disclosed in Note 10.

3.4 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, impairment losses are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects the risks relating to the assets. The carrying amount of the asset is compared to the recoverable amount. If the carrying amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statement of profit or loss.

3 Material accounting policy information (continued)

3.4 Impairment of non-financial assets (continued)

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit or loss.

3.5 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and a provision the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

3.6 Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period, together with adjustments for unrecognized past service costs. The defined benefit obligation is calculated annually by independent qualified actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and the best estimate of maturity, approximating to the terms of the defined pension obligation.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (if any, excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense and the expenses related to defined benefit plans are recognised in "staff cost" in consolidated statement of profit or loss.

3.7 Defined contribution plan

The Group pays its obligations for UAE citizens into a Social Security and UAE Pension Fund in accordance with the Federal Law No. (57) of 2023 for Pension and Social Security. The Group also has a separate pension scheme for the expatriate employees. The Group's obligations are limited to these contributions, which are expensed when due.

3.8 Financial assets

All financial assets are recognised and derecognised on a date when the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the time frame established by the market concerned. Financial assets are initially measured at fair value plus transaction costs, except for those financial assets classified as at FVTPL, which are initially measured at fair value. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value.

3 Material accounting policy information (continued)

3.8 Financial assets (continued)

(a) Initial recognition and measurement

Financial assets are classified at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. In order for an asset's cash flows to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is performed at the SPPI level and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing debt instruments refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective of holding financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

(b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

(c) Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

(d) Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, net interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and compared in the statements at fair value through OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

3 Material accounting policy information (continued)

3.8 Financial assets (continued)

(v) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group has elected to classify its equity investments as equity instruments designated at fair value through OCI. This classification is determined on an instrument-by-instrument basis in accordance with IFRS 9.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income (loss) from investments, net, in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Group elected to classify its equity as listed equity investments under this category.

(vi) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are recorded in the statement of financial position at fair value with no changes in fair value recognised in the statement of profit or loss.

(vii) Other financial assets

Other non-designated financial assets, such as cash and cash equivalents, currency deposits, and other receivables, are measured at amortised cost using the effective interest method, less any expected credit losses.

(A) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits held on call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

(v) Term deposits

Term deposits held with banks with original maturities of more than three months are initially measured at fair value and subsequently measured at amortised cost. Deposits held with banks are within the scope of IFRS 9 expected credit loss calculation for the assessment of impairment.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

3 Material accounting policy information (continued)

3.8 Financial assets (continued)

(v) Long-term financial assets at amortised cost

The Group recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost, insurance balances receivable, insurance receivables, other receivables and bank balances including term deposits. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

ECL for bank balances, term deposits and debt instruments at amortised cost is determined under the general model using the low credit risk expedient, and the Group recognised a 12-month ECL as they are held with reputable financial institutions. The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

The Group always recognises lifetime ECL for insurance receivables and other receivables. The ECL on these financial assets are determined using expected credit losses based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument.

(vi) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet any of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor;
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

In respect of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Material accounting policy information (continued)

3.8 Financial assets (continued)

(i) Write-off policy

The Group writes off a financial asset when there is information indicating that the debt is no longer recoverable and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of insurance and reinsurance balances receivable, when the amounts are long past due, whichever occurs earlier. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the consolidated statement of profit or loss.

(ii) Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default (loss given default) i.e. the magnitude of the loss if there is a default) and the exposure at default. The measurement of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the gross carrying amount at the reporting date and adjusted where forward-looking information.

For financial assets, the ECL is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. There is no discounting effect on the insurance and reinsurance balances receivable as these are interest free and have a life time of less than one year.

(iii) De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

(iv) Dividend distribution

Dividend distribution to the Group's Shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Group's Shareholders.

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Material accounting policy information (continued)

3.8 Financial assets (continued)

(v) Dividend income

Dividend income is recognised when the Group's right to receive the payment has been established.

(vi) Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

3.9 Foreign currencies

For the purpose of these consolidated financial statements, UAE Dirhams (AED) is the functional and the presentation currency of the Group. Transactions in currencies other than AED (foreign currencies) are recorded at the rates of exchange prevailing at the date of their incurrence. At the end of each reporting period, monetary items denominated in foreign currencies are revalued at the rates prevailing at the date. Non-monetary items carried at fair value that are denominated in foreign currencies are revalued at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

Exchange differences are recognised in the consolidated statement of profit or loss at the period in which they arise.

Al Wafaa National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Material accounting policy information (continued)

3.10 Insurance and reinsurance contracts

(a) Definition and classification

The Group issues contracts that transfer only insurance risks. The Group does not issue contracts that transfer only financial risks or both insurance and financial risks.

Insurance contracts are contracts under which the Group accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (that is, if there is a scenario with common and substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

In the normal course of business, the Group uses reinsurance to manage its risk exposure. A reinsurance contract is not a significant risk if it transfers substantially all the insurance risk resulting from the issued portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of significant loss. All references to insurance contracts in the consolidated financial statements apply to insurance contracts issued or acquired and reinsurance contracts held unless specifically stated otherwise.

The Group does not write any investment contracts with discretionary participation features or insurance contracts with direct participation features.

(b) Unit of account

The Group manages insurance contracts issued by product line within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into groups of contracts that are issued within a calendar year (annual cohorts) and are (i) contracts that are annuities, (ii) contracts that are initial recognition have no significant possibility of becoming annuities subsequently, or (iii) a group of remaining contracts. These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently re-measured.

For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available to assess whether the contracts are annuities, initial recognition and whether non-annuity contracts have a significant possibility of becoming annuities. This level of granularity determines the unit of account. The Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a unit are sufficiently homogeneous and will be allocated to the same group, without performing an individual contract assessment. The Group does not hold any participating product line.

Al Wafaa National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Material accounting policy information (continued)

3.10 Insurance and reinsurance contracts (continued)

(b) Unit of account (continued)

Portfolios of insurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to insurance contracts held, the Group aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into groups of (i) contracts for which there is no gain or initial recognition, if any, (ii) contracts for which an initial recognition, there is no significant possibility of a no gain arising subsequently, and (iii) remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Group's actuarial management information reflecting historical experience of such contracts' performance. This information is used for pricing pricing of these contracts such that they result in reinsurance contracts held in a no loss position without a significant possibility of a no gain arising subsequently. The Group does not hold any reinsurance contracts with embedded derivatives or those with investment components.

The Group applies ERS 17 to all remaining components of the contract. The Group does not have any contracts that require for the recognition a combination of insurance contracts.

(c) Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the outset of the following:

- the beginning of the coverage period
- the date when there is a payment from the policyholder or due or actually received, if there is no due date, and
- when the Group determines that a group of contracts becomes annuities.

Reinsurance contracts held are recognised as follows:

- a group of reinsurance contracts held that provide proportionate coverage (quote share reinsurance) is recognised at the time of
 - the beginning of the coverage period of the group, and
 - the initial recognition of any underlying insurance contracts
- all other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the group of reinsurance contracts held.

Unless the Group writes an insurance contract held as is before the date when an annuity group of underlying contracts is recognised prior to the beginning of the coverage period of the group of reinsurance contracts held, in which case the reinsurance contracts held is recognised at the same time as the group of underlying insurance contracts is recognised.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts restriction. Composition of the groups is not reassessed in subsequent periods.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

3 Material accounting policy information (continued)

3.10 Insurance and reinsurance contracts (continued)

(c) Recognition and derecognition (continued)

Insurance contracts at contract modification and derecognition

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and additional costs are assessed below as zero.

When an insurance contract is modified by the Group as a result of an agreement with the counterparty, as due to a change in regulation, the Group assesses changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions is present:

- a) if the modified terms had been included in contract inception and the Group would have concluded that the modified contract:
 - i) is not within the scope of IFRS 17;
 - ii) results in different separable components;
 - iii) results in a different contract boundary; or
 - iv) belongs to a different group of contracts;
- b) the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When a new contract is required to be recognised as a result of modification and it is within the scope of IFRS 17, the new contract is recognised from the date of modification and is assessed for, amongst other things, contract classification, component separation requirements and contract aggregation requirements.

When an insurance contract accounted for under the PAA is derecognised, adjustments to income related rights and obligations to ensure for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

- a) if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;
- b) if the contract is transferred to a third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; or
- c) if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium that the entity would have charged if it had entered into a contract with equivalent terms to the new contract at the time of the contract modification, less any additional premium charged for the modification.

(d) Measurement

Full financial risk ("FCF") in the contract boundary

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

3 Material accounting policy information (continued)

3.10 Insurance and reinsurance contracts (continued)

(d) Measurement (continued)

Full financial risk ("FCF") in the contract boundary (continued)

The estimates of future cash flows:

- a) are based on a probability-weighted mean of the full range of possible outcomes;
- b) are determined from the perspective of the Group, provided that the estimate is a consensus with observable market prices for market variables; and
- c) reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LRC.

The estimates of future cash flows are adjusted using the currency discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rates that reflect the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation which are disclosed under Note 25.

Risk of the Group's non-performance is not included in the measurement of groups of insurance contracts issued. In the measurement of insurance contracts held, the probability-weighted estimates of the present value of future cash flows include the potential credit losses and other aspects of the exposure to reflect the non-performance risk of the contract.

The Group estimates the net FCF at the portfolio level or higher and then allocates such estimates to groups of contracts.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of insurance contracts held and such estimates for the groups of underlying insurance contracts.

Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation exists when:

- a) the Group has the practical ability to replace the risks of the particular policyholder or change the level of benefits so that the policy fully reflects those risks; or
- b) both of the following criteria are satisfied:
 - i) the Group has the practical ability to replace the contract as a portfolio of contracts so that the policy fully reflects the measured risk of the portfolio; and
 - ii) the pricing of premiums up to the date when rates are measured does not reflect the risks related to periods before the measurement date.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

3 Material accounting policy information (continued)

3.10 Insurance and reinsurance contracts (continued)

(a) Insurance contracts (continued)

Contract boundary (continued)

Cash flows outside the insurance contracts' boundary, that is flows from insurance contracts and are recognised when those contracts meet the recognition criteria.

The contract boundary is reassessed at each reporting date and, therefore, may change over time. Judgement might be required to assess the Group's practical ability to separate the events contained in deterministic related cash flows are within the contract boundary.

The excess of total insurance contracts held provides coverage to claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the insurance contracts held. Some of these contracts might include mandatory or voluntary reinsurance, reinsurance premiums, which are guaranteed for the contractual term and are within the respective insurance contracts' boundaries.

Cash flows that are not directly attributable to specific claims of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

Insurance acquired in a transaction

The Group defines acquisition cash flows as cash flows that arise from costs of selling, underwriting and issuing a group of insurance contracts (issued or expected to be issued) and that are directly attributable to the portfolio of insurance contracts in which the group belongs.

Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated:

- to the group; and
- to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in the group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio as expected to be in the portfolio.

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

For insurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Group to the insureds.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in Note 2.5.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

3 Material accounting policy information (continued)

3.10 Insurance and reinsurance contracts (continued)

(a) Insurance contracts (continued) from reinsurance contracts held

The Group presents financial performance of groups of insurance contracts held on and basis on reinsurance (referred to as reinsurance contracts held) comprising the following amounts:

- reinsurance expenses;
- for groups of reinsurance contracts measured under the PAA, broker fees are included within reinsurance expenses;
- incurred claims recovery, including investment components reduced by loss-recovery component allocations (if any);
- other incurred directly attributable expenses;
- changes in the value of gross service - changes in the FCF relating to incurred claims recovery;
- effect of changes in the risk of reinsurers' non-performance; and
- income on initial recognition of onerous underlying contracts.

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expense recognised in the reporting period depicts the surplus of recovered insurance contracts that was an amount that reflects the portion of ceding premiums that the Group expects to pay in exchange for those services. Additionally, for reinsurance contracts held measured under the PAA, broker fees are included in reinsurance expenses.

For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expense based on the passage of time over the coverage period of a group of contracts. Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery.

Insurance finance income is recognised comprising the change in the carrying amount of the group of insurance contracts arising from:

- the effect of the time value of money and changes in the time value of money; and
- the effect of financial risk and changes in financial risk.

For contracts measured under the PAA, there are amounts within insurance finance income or expenses are:

- income recorded on the LTC; and
- the effect of changes in interest rates and other financial assumptions.

The Group disaggregates changes in the risk adjustment for non-financial risk between insurance service risk and insurance finance income or expenses.

Al Wafha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Material accounting policy information (continued)

3.10 Insurance and reinsurance contracts (continued)

(i) Measurement approach

The Group applies the premium allocation approach (PAA) to simplify the measurement of contracts for all groups. When measuring liabilities for remaining coverage, the PAA is similar to the Group's previous accounting treatment. However, when measuring liabilities for incurred claims, the Group discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk.

Contracts written by the Group that have coverage periods of one year or less are actuarially eligible for the PAA. The Group does write some contracts that have coverage periods exceeding one year and which are not actuarially eligible. These are the Property, Casualty and Engineering policies and third-party reinsurance contracts. For all the groups of contracts within the eligible, the LRC measured under the PAA and the general measurement model (GMM) were comparable, the terms of the contracts, considering different reasonable assumptions, is determine if the difference was significant. The Group has found that for all these contracts, the PAA provided a reasonable approximation of the GMM and were thus eligible for measurement under the PAA.

In addition to the contracts with coverage of less than one year, the PAA can be used for measurement of groups of contracts where the entity reasonably expects that such a simplification would produce a measurement of the LRC that would not differ materially from the one that would be produced by applying the GMM or VFA.

Insurance revenue and insurance service expenses are recognized in the consolidated statement of profit or loss based on the concept of net work provided during the period. The standard requires losses to be recognized immediately on contracts that are expected to be onerous. For insurance contracts measured under the PAA, it is assumed that contracts are not onerous at initial recognition unless facts and circumstances indicate otherwise.

(ii) Onerous Contract - for measurement

A contract measured using the PAA is onerous if the fulfillment cash flow exceeds the PAA liability for remaining coverage. The Group will therefore use a combined model as a proxy for fulfillment cash flows, determined on the following basis for onerous contracts with fulfillment cash flows:

- Based on expected claims and expenses net of other financial income;
- Includes the impact of the time value of money as indicated above;
- Includes an allowance for risk adjustment;
- Includes an allowance for directly attributable expenses (which includes a provision of overheads) as required by IFRS 17; and
- Is calculated at the most granular segment level at which such assessments are available, which is currently at the group of contracts level.

The key indicator that the Group will use for the purpose of this assessment is the forecasted long-term combined ratio derived as per the above points. Should this ratio exceed 100% for a given segment, this group shall be classified as onerous.

3.11 Insurance revenue and insurance service expenses

As the Group provides insurance contracts to a wide range of group of insurance contracts, it reduces the LRC and recognizes insurance revenue. The amount of insurance revenue recognized in the reporting period depicts the sum of premiums received as an amount that reflects the portion of consideration that the Group expects to be entitled to in exchange for these services.

Al Wafha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

3 Material accounting policy information (continued)

3.11 Insurance revenue and insurance service expenses (continued)

Expected premium receipts are allocated to insurance revenue based on the passage of time over the coverage period of a group of contracts, with the exception of Engineering (all risks) and Construction (all risks) contracts where revenue is recognized using an increasing risk portion and Marine Cargo where it is assumed that 25% of premium is earned at the valuation date. IFRS 17 requires losses to be recognized immediately on contracts that are expected to be onerous.

Insurance service expenses include incurred claims and benefits, other incurred directly attributable expenses, insurance acquisition cash flows and commission charges that relate to service, i.e. changes in the fulfillment cash flows ("FCF"), relating to the liability for incurred claims ("LIC"), changes that relate to future service, i.e. changes in the FCF that result in onerous contracts losses or reversals of those losses and insurance acquisition cash flows above impairment.

Amortization of insurance acquisition cash flows is based on the systematic approach based on the timing pattern of the underlying contracts and follows the same pattern as insurance revenue. Other expenses not meeting the above categories are included in other operating expenses in the consolidated statement of profit or loss.

3.12 Asset classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and groups of contracts within the scope of IFRS 17 Insurance Contracts, which are specifically exempt from this requirement. An impairment loss is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for any subsequent increase in fair value less costs to sell of an asset, but not in excess of any cumulative impairment losses previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset is recognized at the date of de-recognition.

Non-current assets are not depreciated or amortized while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the consolidated statement of financial position.

4 New and revised IFRS Accounting Standards and Interpretations

(a) New and revised IFRS Accounting Standards and interpretations applied in these consolidated financial statements

The following new and revised IFRS Accounting standards, which became effective for annual periods beginning on 1 January 2025, have been adopted in these consolidated financial statements. The application of these revised IFRS Accounting standards has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

New standards or amendments	Effective date
Amendments to IAS 21 – Lack of exchangeability, sale to contribution of assets between an investor and its associates or joint venture	1 January 2025

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

4 New and revised IFRS Accounting Standards and interpretations
(continued)

(a) New and revised IFRS Accounting Standards and interpretations issued but not yet effective and not early adopted

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2026 and early application is permitted. The Group has not early adopted any of the following new or amended standards in preparing these consolidated financial statements:

These standards or amendments:

- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026 (early adoption is available))
- Annual improvements to IFRS - Volume I (effective for annual periods beginning on or after 1 January 2026) (early adoption is available))
- IFRS 12 - Disclosure of Information about Financial Instruments (effective for annual periods beginning on or after 1 January 2027) (early adoption is available)) and
- IFRS 19 Subsidiaries without Public Accountability: Disclosure (effective for annual periods beginning on or after 1 January 2027) (early adoption is available))

Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Non-performance Indicators (effective for annual periods beginning on or after 1 January 2026) (early adoption is available))

These amendments change the loan loss and hedge accounting requirements of IFRS 9 and include required disclosures requirements in IFRS 7. These amendments apply only in cases where exposure to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). The amendments do not contain references to non-performance indicators.

The Group's management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and the Group is in the process of assessing the impact on adoption of these new standards, interpretations and amendments on the consolidated financial statements of the Group in the period of initial application.

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued but were not effective at the year end for the Group's financial year beginning on or after 1 January 2025 that would be expected to have a material impact on these consolidated financial statements.

5 Cash and cash equivalents

	As at 31 December	
	2025	2024
	AED'000	AED'000
Bank balances and cash	64,365	72,187
Short-term deposits	6,000	6,000
Term deposits	39,035	2,895
Amounts receivable for reported credit losses	(139)	(161)
Total bank balances, deposits and cash	109,261	80,911
Short-term deposits with original maturity of three months or more	(128,370)	(12,902)
Short-term deposits	(74,000)	(18,000)
Cash and cash equivalents for the purpose of the consolidated statement of cash flows	74,391	72,161

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended
31 December 2025 (continued)

5 Cash and cash equivalents (continued)

Geographical concentration of cash and cash equivalents, short-term deposits and deposits with original maturity of three months or more is as follows:

	As at 31 December	
	2025	2024
	AED'000	AED'000
Within UAE	109,261	80,911

Deposits are held with financial institutions in UAE, with an original maturity period of one to twelve months from the date of placement. Interest on deposits is annual, increasing from 0.15% to 3.45% per annum (31 December 2024: 3.75% to 3.95% per annum).

In accordance with the requirements of UAE Federal Decree Law No. 18 of 2025, the Group maintains a bank deposit of AED 5,000 thousand which is held against a bank guarantee issued in favor of the CBUAE (note 24) (31 December 2024: AED 5,000 thousand which is held against a bank guarantee issued in favor of the CBUAE) which cannot be utilized without the consent of the Central Bank of UAE.

6 Financial assets at fair value through other comprehensive income

	As at 31 December	
	2025	2024
	AED'000	AED'000
Quoted equity securities	107,204	126,110
Unquoted equity securities	344	426
	107,548	126,536

The movement in the financial assets at fair value through other comprehensive income (FVOCI) is as follows:

	As at 31 December	
	2025	2024
	AED'000	AED'000
At beginning of the year	126,548	126,110
Additions	-	1,212
Disposals	-	(141,272)
Change in fair value	(19,000)	(135,274)
Balance at end of the year	107,548	126,548

The geographical distribution of financial assets in FVOCI is as follows:

	As at 31 December	
	2025	2024
	AED'000	AED'000
Within UAE	105,638	126,228
Outside UAE	1,910	312
	107,548	126,548

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

7 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss consist of quoted equity investments and listed capital securities in local securities. The movement in financial assets at fair value through profit or loss is as follows:

	As at 31 December	
	2025	2024
	AED'000	AED'000
At beginning of the year (Note 29(d))	646,102	561,734
Additions	6,534	21,240
Deposals	(35,890)	(99,611)
Change in fair value (note 19)	33,230	(28,456)
Balance at end of the year	649,976	646,102

ii Asset classified as held for sale

	As at 31 December	
	2025	2024
	AED'000	AED'000
Non-current asset held for sale		
Investment property (Note 10)	12,400	-

During the year, one villa situated in Dubai was reclassified from investment properties to assets classified as held for sale following management's commitment to a plan to dispose of the property. The fair value of this property is estimated by an external RICS certified appraiser as AED 12,400 thousand (31 December 2024: AED 15,250 thousand). The sale is considered highly probable and was completed subsequent to 31 December 2025.

9 Prepayments and other receivables

	As at 31 December	
	2025	2024
	AED'000	AED'000
Prepayments	4,719	2,070
Accrued income	136	106
Other receivables (i)	5,516	4,437
	10,371	7,613

(i) Based on the examination performed by management under IFRS 9, the expected credit loss is considered immaterial for the years ended 31 December 2025 and 2024.

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

10 Investment properties

	Investment property under development AED'000	Buildings AED'000	Total AED'000
At 1 January 2025	323,900	299,315	623,215
Additions during the year	72,871	-	72,871
Assets classified as held for sale (Note 8)	-	(12,400)	(12,400)
Deposals	-	(15,750)	(15,750)
Change in fair value	19,604	19,303	38,917
31 December 2025	376,375	285,473	661,848
At 1 January 2024	121,630	299,559	421,189
Additions during the year	25,080	-	25,080
Change in fair value	77,190	1240	78,946
31 December 2024	323,900	299,315	623,215

Investment property under development includes land and building under construction located in Sheikh Rashid, Dubai. The freehold land in Dubai was purchased in 2004. Additions during the year include the construction cost incurred for the building. As at 31 December 2025, the fair value of the property was estimated by an external RICS certified appraiser as AED 376,375 thousand (31 December 2024: AED 282,400 thousand).

Buildings include:

(a) Abu Dhabi Head Office building

This property is located in Abu Dhabi and part of the building is available for leasing in third parties. The fair value of this property is estimated by an external RICS certified appraiser as AED 146,930 thousand (31 December 2024: AED 147,303 thousand). The property has been pledged as collateral against a term loan with a bank.

(b) Al Jumeirah Hotel commercial villa

This property consists of three villas in Dubai available for leasing in third parties. The fair value of this property is estimated by an external RICS certified appraiser as AED 62,100 thousand (31 December 2024: with free villa AED 74,100 thousand). This property has been pledged as collateral against a term loan with a bank.

(c) Al Mafraq Hotel

This property is located in Al Mafraq building, The Greens Dubai, and is available for leasing in third parties. The fair value of this property is estimated by an external RICS certified appraiser as AED 4,500 thousand (31 December 2024: AED 3,100 thousand).

(d) New York residential condominium unit

Three condominium units, living unit numbers 1102, 144 and 148 located in New York, United States of America. The fair value of these properties are estimated by an external RICS certified appraiser as AED 25,825 thousand (31 December 2024: AED 49,588 thousand).

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

10 Investment properties (continued)

(a) Marina Sunset Bay Villa

The Group acquired a Villa Located in Marina Sunset Bay, in Abu Dhabi, which is available for letting to third parties. The fair value of this property is estimated by an external RICS certified appraiser as AED 17,300 thousand (31 December 2024: AED 16,300 thousand).

(b) Two towers/flat, Dubai

The Group acquired 12 residential apartments situated within Two Towers, Basheer Heights (Two Towers), Dubai, during 2023 which is available for letting to third parties. The fair value of this property is estimated by an external RICS certified appraiser as AED 31,000 thousand (31 December 2024: AED 12,902 thousand).

11 Investment in associates

Details of the Group's associates as of 31 December are as follows:

Name of the associate	Principal activities	Place of incorporation	As at 31 December	
			2025 Ownership interest %	2024 Ownership interest %
UR International Insurance	Insurance business	Uae	40.00%	40.00%
Hij Holding PJSC	Import and distribution of food stuff	United Arab Emirates	22.82%	22.82%

The movements in investment in associates during the year is as follows:

	As at 31 December	
	2025 AED'000	2024 AED'000
At 1 January	140,500	145,005
Share of profit for the year	8,784	6,113
Share of other comprehensive income/(loss) of associates	4,337	(317)
Impairment charge for the year	(20,009)	(2,000)
Dividend received	(251)	(231)
At 31 December	135,320	142,569

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended
31 December 2025 (continued)

11 Investment in associates (continued)

Details of material associates	Hij Holding ^a PJSC AED'000	UR International Insurance AED'000	Total AED'000
As at 31 December 2025			
Statement of financial position			
Current assets			
- cash and cash equivalents	45,493	3,500	54,993
- others	26,605	20,649	277,214
Non-current assets	331,974	10,490	344,464
Current liabilities	(256,983)	(22,974)	(279,957)
Non-current liabilities	(193,080)	-	(193,080)
Net assets of associates	68,999	10,975	702,949
Equity of the Group's ownership interest	22.82%	40%	-
Group's share of associates' net assets	156,539	6,790	163,329
Other impairment adjustment (i)	(20,009)	-	(20,009)
Carrying amount of associates	136,530	6,790	135,320
	Hij Holding ^a PJSC AED'000	UR International Insurance AED'000	Total AED'000
For the year ended 31 December 2025			
Statement of profit or loss			
Revenue	119,839	10,963	130,802
Expenses - net	(85,937)	(9,799)	(95,736)
Depreciation and amortisation	(4,400)	(297)	(4,697)
Net finance cost	(34,343)	(171)	(35,014)
Share of profit of associates	40,117	-	40,117
Income tax expense	3,395	(324)	3,071
Profit for the year	38,171	372	38,543
Other comprehensive income	12,523	-	12,523
Total comprehensive income	50,694	372	51,066
Group's share of associates' total comprehensive income for the year	12,938	65	13,003

^a The fair value of investment in associates was AED 65.90 million as of 31 December 2025. The market price per share of the associate was AED 2.30 as of 31 December 2025.

(c) During the year, the Group has assessed its investment in associates for indicators of impairment. The determination of whether the investment in associate is impaired entails management's evaluation of the recoverable value (including the application of relevant discounts) with the carrying value of the investment. The impairment charge from investment in associates is recognised in the consolidated statement of profit or loss. The Group has recognised impairment adjustments of AED'000 20,009 for the year ended 31 December 2025.

Al Wafaa National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

11 Investment in associates (continued)

Details of material associates	Ally Holding* PJSC AED'000	QR International Insurance AED'000	Total AED'000
As at 31 December 2024			
Statement of financial position			
Current assets			
- cash and cash equivalents	25,022	3,598	28,620
- others	344,283	17,592	361,875
Non-Current assets	222,432	10,612	233,044
Current liabilities	(326,931)	(14,291)	(341,222)
Non-current liabilities	(257,427)	-	(257,427)
Net assets of these associates	629,281	12,441	641,722
Proportion of the Group's ownership interest	22.32%	40%	-
Group's share of associates' net assets	142,602	6,976	149,578
Other impairment adjustment (i)	(2,009)	-	(2,009)
Carrying amount of associates	135,391	6,976	142,367
	Ally Holding* PJSC AED'000	QR International Insurance AED'000	Total AED'000
For the year ended 31 December 2024			
Statement of profit or loss			
Revenue	110,990	9,125	120,115
Expenses - net	(53,139)	(3,143)	(56,282)
Depreciation and amortisation	(2,499)	(372)	(2,871)
Interest expenses	(21,327)	(309)	(21,636)
Insurance expenses	1,902	(251)	1,651
Profit for the year	24,927	1,250	26,177
Other comprehensive loss	(337)	-	(337)
Total comprehensive income	24,590	1,250	25,840
Group's share of associates' total comprehensive income for the year	5,612	177	5,789

* The fair value of investment in associate was AED 64.62 million as of 31 December 2024. The market price per share of this associate was AED 2.26 per share as of 31 December 2024.

(i) During the year, the Group had assessed its investment in associates for indications of impairment. The determination of whether the investment in associate is impaired entails management's evaluation of the recoverable value (including the application of relevant discounts) with the carrying value of the investment. The impairment charge from investment in associates is recognised in the consolidated statement of profit or loss. The Group has recognised an impairment adjustment of AED'000 2,009 for the year ended 31 December 2024.

Al Wafaa National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

12 Property and equipment

	Building AED'000	Furniture and fixtures AED'000	Motor vehicles AED'000	Computer equipment AED'000	Total AED'000
Cost					
1 January 2024	4,741	2,647	1,927	4,677	14,992
Additions	-	82	33	855	969
Deposals	-	-	(389)	-	(389)
At 31 December 2024	4,741	2,729	1,571	5,532	14,573
Additions	-	17	230	238	485
Deposals	-	-	-	-	-
At 31 December 2025	4,741	2,746	1,594	5,770	14,851
Accumulated depreciation					
1 January 2024	4,102	2,310	728	2,454	11,594
Charge for the year (Note 20)	316	170	302	771	1,559
Deposals	-	-	(387)	-	(387)
At 31 December 2024	4,418	2,480	723	3,225	10,846
Charge for the year (Note 20)	316	160	318	599	1,403
Deposals	-	-	-	-	-
At 31 December 2025	4,734	2,640	1,041	3,824	12,239
Net carrying amount at					
At 31 December 2025	1	112	779	1,946	2,838
At 31 December 2024	317	249	848	2,307	3,731

13 Reserves

(a) Legal reserve

In accordance with the Federal Decree Law No. (13) of 2021, as amended Concerning the Commercial Companies and the Group's Articles of Association, 10% of net profit was to be transferred to mandatory, distributable legal reserve until the balance of the legal reserve equals 50% of the Group's paid-up share capital. Since the legal reserve of the Group is equal to 50% of the paid-up share capital, therefore, there was no further transfer during the years ended 31 December 2025 and 2024. This reserve is not available for any distribution to the shareholders.

(b) Statutory reserve

As required by the Group's Articles of Association, 10% of the profit for the year is required to be transferred to the statutory reserve until the balance of the statutory reserve equals 25% of the Group's paid-up share capital. This reserve is not available for distribution. The Group has resolved to discontinue such annual transfer since the reserve has reached 25% of the paid-up share capital.

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

13 Reserves (continued)

(c) General reserve

Transfers to and from the general reserve are made at the discretion of the Board of Directors as per the authority granted to them in the Group's Articles of Association. This reserve may be used for such purposes as they deem fit. There is no transfer during the year from retained earnings to general reserve (31 December 2024: AED Nil).

(d) Capital reserve

In accordance with the Board of Directors' resolution which was adopted by the Shareholders in the Annual General Meeting held on 19 May 1999, this reserve is maintained for the settlement of any claims with respect to compensating the previous non-national shareholders of the Group. No payment was made to these shareholders during the year ended 31 December 2025 (31 December 2024: AED Nil).

(e) Fair value reserve

The fair value reserve comprises of the cumulative net change in the fair value of equity securities designated as FVOCI.

(f) Reinsurance risk reserve

In accordance with Article (34) to Central Bank of UAE's Board of Directors' Decision No. (25) of 2019, reinsurance companies, once placed in the State and licensed by the Central Bank of UAE shall fund in the preparation of its annual consolidated financial statements and its final accounts in addition an amount equal to 0.5% (five per thousand) of the total reinsurance premiums ceded by them in all classes in order to create a provision for the probability of failure of any of the reinsurers with whom the Group deals to pay when is due to the Group or default in its financial position. The provision shall be accounted year after year based on the reinsurance premiums ceded and may not be disposed of without the written approval of the Central Bank of UAE. The decision is effective from 1 December 2020. Accordingly, an amount of AED 5,308 thousand (31 December 2024: AED 3,237 thousand) has been recorded in equity as reinsurance risk reserve as at 31 December 2025.

Movements in the reinsurance risk reserve

	As at 31 December	
	2025	2024
	AED'000	AED'000
Balance as at the beginning of the year	3,237	1,991
Transfer to the reinsurance risk reserve	2,071	1,346
Balance as at the end of the year	5,308	3,237

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

14 Share capital

	As at 31 December	
	2025	2024
	AED'000	AED'000
Authorized, issued and fully paid		
207,000,000 (31 December 2024: 207,000,000)		
Ordinary shares of AED 1 each	207,000	207,000

At the Annual General Meeting held on 23 April 2025 the shareholders approved the distribution of cash dividend of AED 0.20 per share amounting to AED 41,400 thousand (31 December 2024: Annual General Meeting held on 23 April 2024 the shareholders approved the distribution of cash dividend of AED 0.25 per share amounting to AED 51,750 thousand). In respect of the current year, the Board of Directors in their meeting held on 13 March 2026 proposed a cash dividend of AED 0.25 per share amounting to AED 51,750 thousand. The cash dividend is subject to the approval of the Shareholders at the forthcoming Annual General Meeting.

15 Borrowings

	As at 31 December	
	2025	2024
	AED'000	AED'000
Term loan 1	52,962	70,689
Term loan 2	75,000	35,000
	127,962	105,689

The movements in the borrowing facilities of the Group are as follows:

	As at 31 December	
	2025	2024
	AED'000	AED'000
Term loan facilities		
Opening balance	105,689	82,541
Add: received during the year	70,000	135,000
Add: finance cost incurred during the year	6,736	2,147
Repayments made during the year	(54,463)	(125,993)
Closing balance	127,962	105,689

Term loan 1

During 2022 the Group obtained a bank loan of AED 100,000 thousand for investment purposes. The loan bears interest at three-month EIBOR plus a margin, charged quarterly, and is repayable in twenty-four quarterly instalments from 2 April 2023 to 12 October 2028. The loan is secured by the Group's investment properties comprising the head office building and three villas. As at 31 December 2025, the outstanding loan balance was AED 52,962 thousand (31 December 2024: AED 70,689 thousand). The Group has complied with the financial covenants of its term loan 1 for the years ended 31 December 2024 and 2025.

Term loan 2

During 2023, the Group obtained revolving credit facility of AED 75,000 thousand to meet short-term funding requirements, bearing interest at three-month EIBOR plus a margin, charged quarterly, and structured as a single bullet repayment at the end of each one-year term. During 2025, AED 70,000 thousand was utilized and AED 30,000 thousand repaid, with the bullet repayment originally due in December 2025 extended to March 2026. The facility is secured against the same investment properties as Term Loan 1, so being collateral for the Group's combined banking facilities. As at 31 December 2025, the carrying amount including accrued finance costs, was AED 75,000 thousand (31 December 2024: AED 35,000 thousand). The Group has complied with the financial covenants of its term loan 2 for the years ended 31 December 2024 and 2025.

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

15 Borrowings (continued)

Loan covenants

Under the terms of the Group's term loans, the Group is required to comply with specific financial covenants at each quarterly reporting date. As at 31 December 2025, the carrying amounts were AED'000 52,962 (31 December 2024: AED'000 30,689) for Term Loan 1 and AED'000 25,000 (31 December 2024: AED'000 33,006) for Term Loan 2. The covenants applicable to each facility are as follows:

- Term Loan 1 (Total facility limit: AED 100 million): The Group must maintain a tangible net worth of not less than AED 700 million at all times and the total external debt to equity ratio must not exceed 0.5:1.
- Term Loan 2 (Revolving facility with multiple drawdowns and available facility limit: AED 75 million): The Group must maintain a tangible net worth of not less than AED 200 million and the total external debt to equity ratio must not exceed 0.5:1.

The Group complied with all financial covenants throughout the years ended 31 December 2025 and 2024. There are no instances of non-compliance where these covenants will be measured as at 31 March 2026 (next reporting date).

16 Employee and officers benefits

The Group provides end-of-service benefits for its eligible employees. An actuarial valuation has been carried out as at 31 December 2025 to ascertain present value of the defined benefit obligation. A registered actuary in the UAE was appointed to evaluate the same. This present value of the defined benefit obligation and the related current and past service costs were measured using the Projected Unit Credit Method.

Defined benefit obligations

	As at 31 December	
	2025	2024
	AED'000	AED'000
Present value of defined benefit obligation - opening	6,138	5,471
Service cost and interest cost	1,419	734
Benefits paid	(364)	(1,027)
Actuarial loss on the obligation	372	-
Balance at 31 December	8,075	6,138

The following key assumptions (weighted average rates) were used to value the liabilities:

	As at 31 December	
	2025	2024
Discount rate	4.95%	4.95%
Salary increase rate (p.a.)	4.95%	4.95%

Demographic assumptions for mortality, withdrawal and retirement were used in valuing the liabilities and benefit under the plan. Because of the nature of the benefit, which is a lump sum payable on retirement, any change in combined single discount rate has been used.

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

16 Employee and officers benefits (continued)

A loss is recognised in the consolidated statement of profit or loss:

	For the year ended 31 December	
	2025	2024
	AED'000	AED'000
Service cost	1,133	734
Net interest cost	286	-
Expenses for the year	1,419	734

A loss is recognised in the consolidated statement of profit or loss and other comprehensive income:

	For the year ended 31 December	
	2025	2024
	AED'000	AED'000
Actuarial loss on obligation	372	-
Other comprehensive expense for the year	372	-

17 Accrued expenses and other payables

	As at 31 December	
	2025	2024
	AED'000	AED'000
Accrued expenses	25,638	24,327
Social contribution	5,650	4,100
Other payable	5,534	22,043
	36,822	50,470

18 Related parties

Identity of related parties

Related parties comprise major shareholders, associated companies, Directors and key management personnel of the Group and entities controlled, jointly controlled or significantly influenced by such parties. The Group maintains significant balances with these related parties, which arise from commercial transactions in the ordinary course of business or commercial acts.

Directors are expected to avoid any action, position or interest that conflicts with any interest of the Company. Details of all transactions in which a Director and/or related parties might have actual or potential conflicts are reported to the Board of Directors for their review and approval. When a potential conflict of interest arises, the Directors concerned must participate in the discussions not exercise any influence or veto other members of the Board. If a major shareholder is a Director, has any conflict of interest, with any matter to be considered by the Board of Directors and the Board of Directors determines that such a matter is significant, the decision thereon by the Board of Directors shall be made in the presence of all directors and in the absence of the interested director's vote.

Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

10 Related parties (continued)

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, being the Directors, chief executive officer and his direct reports.

The Group maintains significant balances with related parties which arise from commercial transactions in the ordinary course of business as summarized below:

(a) Related parties as per requirements of IAS 24:

Balances with related parties:

	As at 31 December	
	2025	2024
	AED'000	AED'000
Due from policy holders (Directors' affiliates) (included in insurance contract liabilities)	20,532	25,046
Due to policy holders (Directors' affiliates) (included in insurance contract liabilities)	(2,979)	(20,103)

During the year, the Group entered into the following transactions with related parties:

	For the year ended 31 December	
	2025	2024
	AED'000	AED'000
Insurance received from Directors' affiliates	79,728	92,050
Insurance re-insurance expenses to Directors' affiliates	(41,833)	(62,894)

(b) Related parties as per requirements of IAS 24:

Balances with related parties:

	As at 31 December	
	2025	2024
	AED'000	AED'000
Due from equity accounted investee (i)	10	78
Repayment expenses related to Director	(23)	323

(i) Detailed disclosures for investments in equity accounted investee is included in Note 11.

Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

10 Related parties (continued)

(c) Related parties as per requirements of IAS 24 (continued)

Balances with related parties: (continued)

During the year, the Group entered into the following transactions with related parties:

	For the year ended 31 December	
	2025	2024
	AED'000	AED'000
Insurance received from equity accounted investee	1,583	423
Insurance re-insurance from equity accounted investee	-	-
Reimbursement related to Director	(943)	(499)
Other expenses related to Director	(4,953)	(3,096)
Director's remuneration	(5,000)	(4,100)

Remuneration of key management personnel

	For the year ended 31 December	
	2025	2024
	AED'000	AED'000
Short term benefits	5,006	2,436
Post employment benefits	309	54
	5,314	2,510

The above figures exclude the impact of risk adjustments and discounts, as since the Group does not apply these elements as actuarial policy level.

19 Other income or (loss) from investments, net

	For the year ended 31 December	
	2025	2024
	AED'000	AED'000
Changes in fair value of financial assets carried at fair value through profit or loss, net (Note 7)	38,280	(22,436)
Gain on disposal of financial assets at fair value through profit or loss, net	14,734	12,726
Dividend income	38,207	22,534
	91,217	12,824

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	Year ended August 31, 2014	Year ended August 31, 2013	Year ended August 31, 2012
Operating income (loss) before income taxes	11,430	10,818	11,430
Income tax expense	(3,111)	(3,111)	(3,111)
Operating income (loss) after income taxes	8,319	7,707	8,319
Other income (expense)	111	111	111
Income before income taxes	8,430	7,818	8,430
Income tax expense	(2,311)	(2,311)	(2,311)
Income after income taxes	6,119	5,507	6,119
Other income (expense)	111	111	111
Income before income taxes	6,230	5,618	6,230
Income tax expense	(1,611)	(1,611)	(1,611)
Income after income taxes	4,619	4,007	4,619
Other income (expense)	111	111	111
Income before income taxes	4,730	4,118	4,730
Income tax expense	(1,211)	(1,211)	(1,211)
Income after income taxes	3,519	2,907	3,519
Other income (expense)	111	111	111
Income before income taxes	3,630	3,018	3,630
Income tax expense	(911)	(911)	(911)
Income after income taxes	2,719	2,107	2,719
Other income (expense)	111	111	111
Income before income taxes	2,830	2,218	2,830
Income tax expense	(711)	(711)	(711)
Income after income taxes	2,119	1,507	2,119
Other income (expense)	111	111	111
Income before income taxes	2,230	1,618	2,230
Income tax expense	(511)	(511)	(511)
Income after income taxes	1,719	1,107	1,719
Other income (expense)	111	111	111
Income before income taxes	1,830	1,218	1,830
Income tax expense	(411)	(411)	(411)
Income after income taxes	1,419	807	1,419
Other income (expense)	111	111	111
Income before income taxes	1,530	918	1,530
Income tax expense	(311)	(311)	(311)
Income after income taxes	1,219	607	1,219
Other income (expense)	111	111	111
Income before income taxes	1,330	718	1,330
Income tax expense	(211)	(211)	(211)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230
Income tax expense	(111)	(111)	(111)
Income after income taxes	1,119	507	1,119
Other income (expense)	111	111	111
Income before income taxes	1,230	618	1,230

2564 **Abstracts** | **Public Health**

Agree that a small number of people are not in the system for the year and do not have a return.

7. **SAVANT | CONSULTING**

1. The first step in the process of creating a new product is to identify a market need. This involves conducting market research to determine what consumers want and what problems they are trying to solve. Once a need is identified, the next step is to develop a concept that addresses that need. This is often done through brainstorming and sketching ideas. The third step is to create a prototype, which is a physical model of the product that can be used to test the concept and gather feedback. The fourth step is to refine the product based on the feedback received. This may involve making changes to the design or the materials used. Finally, the product is ready for production and distribution.

It is important to keep in mind that the business is not a charity. The business is a business, and it is important to keep in mind that the business is a business, and it is important to keep in mind that the business is a business.

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	2013	2012	2011	2010	2009
Operating income	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Interest income	100	100	100	100	100
Interest expense	(50)	(50)	(50)	(50)	(50)
Income tax expense	(200)	(200)	(200)	(200)	(200)
Other income	50	50	50	50	50
Other expense	(50)	(50)	(50)	(50)	(50)
Net income	\$800	\$800	\$800	\$800	\$800
Dividends paid	(200)	(200)	(200)	(200)	(200)
Retained earnings	\$600	\$600	\$600	\$600	\$600
Equity	\$600	\$600	\$600	\$600	\$600
Liabilities	\$400	\$400	\$400	\$400	\$400
Assets	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000

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Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

24 Risk and capital management

24.1 Governance Framework

The primary objective of the Group's risk and financial management framework is to protect the Group's shareholders from events that could hinder the sustainable achievement of these financial performance objectives, and to ensure insurance benefits are available to policyholders as and when needed. Management recognizes the critical importance of having an efficient and effective risk and financial management framework embedded in the Group. The Group manages its assets and liabilities in an integrated manner to ensure that sufficient funds are available to meet insurance obligations as they fall due.

AWFC's Audit Committee is on the Board of Directors and discharging its responsibilities with regard to the financial reporting, external audit, internal audit and compliance functions. The responsibility includes: reviewing and monitoring the integrity of annual consolidated financial statements and condensed consolidated interim financial information; corporate governance; supervising on the appointment of external auditors; supervising their independence; reviewing the effectiveness of the external audit process; reviewing the effectiveness of internal audit and compliance functions; review the effectiveness of AWFC's risk management framework, along with outcomes and reports to key business risks and compliance with the applicable laws and regulations. The Board Risk Committee also oversees Climate-related Financial Risks in compliance with CSUAE Circular No. 2/2025.

The Board has oversight responsibility for operational risk management in the Group. These responsibilities are executed through the Board Risk Committee with an established framework of policies and procedures to identify, assess, monitor, control, manage and report risks. The Board Risk Committee employs clear internal policies and procedures to reduce the likelihood of any operational losses. Where appropriate, risk is managed by way of insurance. The framework also provides for the consultation with other risk categories.

24.2 Capital management objectives, policies and approach

The Group has established the following capital management objectives, policies and approach to manage the risks that affect its capital position:

The capital management objectives are:

- To maintain the required level of solvency of the Group thereby providing adequate of security to policyholders;
- To allocate capital efficiently and support the development of business by ensuring that assets are capital employed meet the requirements of its capital providers and of its shareholders;
- To retain financial flexibility by maintaining strong liquidity;
- To align the profile of assets and liabilities taking account of risks inherent in the business;
- To hold sufficient capital to cover the statutory requirements;
- To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and shareholders; and
- To maintain strong and healthy capital position in order to support its business objectives and maximize shareholder value.

The operations of the Group are also subject to regulatory requirements within the United Arab Emirates where it operates.

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

24 Risk and capital management (continued)

24.2 Capital management objectives, policies and approach (continued)

(a) Approach to capital management

The Group seeks to optimize the structure and sources of capital to ensure that it consistently meets minimums in the shareholders.

The Group's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, ensuring shieldfalls between required and required capital levels on a regular basis, and taking appropriate actions to influence the capital position of the Group in light of changes in economic conditions and risk characteristics.

The primary source of capital used by the Group is equity funds provided by shareholders and borrowings from commercial banks. The Group has had no significant changes in its policies and processes relating to its capital structure during the past year from previous years.

No changes were made in the objectives, policies or processes during the year ended 31 December 2025 and 2024. Equity comprises share capital, legal reserve, statutory reserve, general reserve, capital reserve, fair value reserve, reinsurance risk reserve and retained earnings, and is measured as AED 1,345,922 thousand as at 31 December 2025 (31 December 2024: AED 1,197,878 thousand).

The Group is subject to local insurance solvency regulations. The Group has incorporated in its policies and procedures the necessary steps to ensure compliance with such regulations.

As per the Federal Decree Law No. (6) of 2025 concerning the Establishment of the Central Bank of UAE and Operation of the Insurance Operations, the minimum capital requirement is set as AED 100,000 thousand for insurance companies.

The table below summarizes the Minimum Capital Requirement of the Group and the total capital held by the Group:

	As at 31 December 2025 AED'000	As at 31 December 2024 AED'000
Total capital held by the Group	287,000	307,000
Minimum regulatory capital	100,000	100,000

(b) Capital risk management

The Group's objective when managing capital is to ensure ongoing and future compliance with the insurance capital requirements set by the Federal Law No. (6) of 2025 regarding the Central Bank, Regulation of Financial Institutions and Activities, and Insurance Business.

Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

24 Risk and capital management (continued)

24.2 Capital management objectives and approach (continued)

(a) Capital risk management (continued)

In UAE, the local insurance regulator specifies the minimum amount and type of capital that must be held by the Group in addition to its own. The minimum required capital (presented in the table below) must be maintained at all times throughout the year.

In UAE, all insurance companies are required to comply with Financial Regulations for Insurance Companies that came into force on 29 January 2015. The Group is subject to local insurance solvency regulations with which it has complied with during the year ended 31 December 2025 and 2024. The Group has incorporated in its policies and practices the necessary provisions to ensure continuous and full compliance with such regulations.

As per the UAE Federal Decree Law No. (10) of 2025 concerning the Central Bank, Regulation of Financial Institutions and Activities, and Insurance Business, the minimum capital requirements are AED 100 million for insurance companies. The Group has complied with the nationally imposed capital requirements by the CBUAE. The table below summarizes the Minimum Capital Requirement of the Group and the total capital held by the Group.

	As at 31 December	
	2025 ^a	2024 ^a
	AED'000	AED'000
Total capital held by the Group	207,000	207,000
Minimum regulatory capital for an insurance Group	100,000	100,000
Minimum Capital Requirement (MCR)	100,000	100,000
Solvency Capital Requirement (SCR)	394,278	334,021
Minimum Guarantee Fund (MGF)	131,426	111,340
Own funds		
Basic Own Funds	630,197	679,901
MCR Solvency Margin - Surplus	530,197	579,901
SCR Solvency Margin - Surplus	235,920	345,960
MGF Solvency Margin - Surplus	543,271	568,561

(a) This includes the impact of proposed dividend of AED 51,750 (31 December 2024: AED 41,400 (thousand)). The above figures are not based on any IFRS Accounting Standards and represent the CBUAE regulatory requirements for insurance companies in the UAE. The above figures are unaudited.

Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk

25.1 Regulatory framework

Regulators are primarily interested in protecting the rights of policyholders and ensuring that they are properly insured. At the same time, regulators are also interested in ensuring that the Group maintains an appropriate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters.

The operations of the Group are subject to regulatory requirements within the jurisdictions in which it operates. Such regulations not only prescribe approval and monitoring of activities, but also impose comprehensive provisions to minimize the risk of default and insolvency on the part of insurance companies to meet unforeseen liabilities in their scope.

The chairman of the Central Bank of UAE with Board of Directors' Decision No. (25) of 2014 dated 22 December 2014 issued Financial Regulation for Insurance Companies (FRIC) applicable to insurance companies incorporated in the UAE and the foreign insurance companies licensed to practice the activity in the UAE.

The main highlights of the regulations are summarized in the below table.

Regulation

- 1) Basis of investing the rights of the policyholders
- 2) Solvency margin and minimum guarantee fund
- 3) Basis of calculating the technical reserves
- 4) Determining the Group's assets that meet the required insurance liabilities
- 5) Records which the Group shall be obligated to prepare and maintain as well as the date and documents that shall be made available to the Central Bank of UAE
- 6) Principles of accounting, accounting books and records of the Group, agents and brokers and determining date to be maintained in those books and records, and
- 7) Accounting policies to be adopted and the necessary forms needed to be prepared and present reports and consolidated financial statements.

25.2 Insurance risk

The Group accepts insurance risk through its written insurance and reinsurance contracts. The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments on the timing thereof differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

25.2 Insurance risk (continued)

The above risk exposure is managed by diversification across a portfolio of insurance contracts. The variability of risks is also employed by careful selection and implementation of underwriting strategy guidelines, as well as the use of various reinsurance arrangements in use.

Reinsurance contracts do not relieve the Group from its obligations to policyholders. The Group remains liable to its policyholders for the payment covered as the extent that any reinsurer does not meet the obligations assumed under the reinsurance agreement. The reinsurance strategy of the Group is designed to protect exposures to individual risks and to limit exposure to current risk exposures through cost effective reinsurance arrangements.

(a) Frequency and severity of claims

The Group manages risks through its underwriting strategy, adequate reinsurance arrangements and prompt claims handling. The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risks, line of business and geography. Underwriting limits are in place to enforce appropriate selection criteria. The Group underwrites mainly fire and general accident, marine, motor and medical risks. There are regarded as short-term insurance contracts as claims are normally settled and settled within one year of the insured event taking place. This helps to mitigate insurance risk.

The Group writes the following types of insurance contracts:

(i) Property

For property insurance contracts, the main risks are fire and business interruption. The contracts are underwritten by reference to the replacement value of the properties and contents insured. The cost of rebuilding properties, obtaining replacement contents, and the time required to resume operations, which may result in business interruption, are the principal factors influencing the level of claims.

The Group has obtained appropriate reinsurance covers to limit its net exposure to losses arising from both individual claims and natural events involving multiple claims. The reinsurance programme includes proportional and non-proportional arrangements that provide protection on a pro-rata basis, while the Group's retention is further protected under a 'Whole Account Excess of Loss' policy designed to mitigate exposure under adverse scenarios.

(ii) Motor

For motor contracts, the main risks are claims for death and bodily injury and the replacement or repair of vehicles. The level of insurance is for death and to injured parties and the replacement cost of, and repair to motor vehicles, are the key factors that influence the level of claims. The Group has excess of loss proportional limits to limit its net exposure to large individual claims, in addition to a reinsurance treaty arrangement of 85% for high value vehicles.

Al Wafda National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

25.2 Insurance risk (continued)

(a) Frequency and severity of claims (continued)

(iii) Medical

For medical insurance the main risks are claims for inpatient which includes the non-excluded cases of medical conditions or bodily injury requiring hospitalisation and claims for out-patient which include physician consultation, diagnostic procedures, pharmaceuticals, therapy and minor day care surgery. The Group renewed its medical inpatient agreement in June 2024. To mitigate claims, the policy is supported by multiple quota share treaties under which the retention of Group ranges between 10% to 40%.

(iv) Liability and general accident

For liability and general accident insurance contracts, the main risks are claims for bodily injury, property damage and legal liabilities to third parties. The level of claims is influenced by the frequency of incidents, the severity of injuries or damages, legal costs, and cost awarded compensation. The Group manages these risks through prudent underwriting, policy limits, deductibles, and appropriate reinsurance arrangements to limit exposure to large individual claims or the adverse accumulation of claims arising out of one event where the loss is attributed to the same cause.

(v) Engineering

For engineering insurance contracts, the main risks are material damage and business interruption arising from construction and erection activities, machinery breakdown, and operational failure. Claims severity is influenced by project size, construction complexity, duration, and replacement or repair costs of insured assets. The Group manages these risks through risk-based underwriting, technical assessments, and reinsurance arrangements designed to limit its net exposure to losses while limiting individual claims or natural events involving multiple claims.

(vi) Marine

For marine and aviation insurance the main risks are loss or damage to marine hull, aviation hull and accidents resulting in the total or partial loss of cargo. The underwriting strategy for the marine and aviation class of business is to ensure the policies are well diversified in terms of vessels and shipping routes covered. The Group has obtained appropriate reinsurance covers to limit its net exposure to losses while limiting individual claims or natural events involving multiple claims.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

25 Insurance and financial risk (continued)

25.2 (a) Concentration of financial risks

Substantially all of the Company's underwriting activities are carried out in the United Arab Emirates in common with other insurance companies, in order to minimise financial exposure arising from large insurance claims, the Company, in the normal course of business, enters into arrangements with other parties for reinsurance purposes. The segmental concentration of insurance risks are set out below.

The significant operating segments of the Group are Motor, Health and General Insurance (which comprises all property, fire, engineering, energy, liability, marine cargo and marine hull) and Investments.

	2025 AED'000	2024 AED'000
Insurance contract liabilities - net		
Motor	297,202	282,497
General insurance	241,368	259,462
Health	<u>90,490</u>	<u>18,298</u>
	<u>629,060</u>	<u>560,257</u>
Reinsurance contract assets - net		
Motor	9,372	44,440
General insurance	154,459	137,614
Health	<u>73,898</u>	<u>14,189</u>
	<u>237,729</u>	<u>196,243</u>

The contribution by the insurance operations to the profit of the Group amounts to AED 34,020 thousand for the year ended 31 December 2025 (31 December 2024: AED 29,112 thousand net for the year). The Group does not face any major impact from insurance operations due to the following reasons:

The Group has an overall risk retention level of 54% (31 December 2024: 53%), broadly diversified across the portfolio. Retention levels, however, vary by line of business. Motor insurance represents a higher retained segment, while medical insurance is relatively lower retained. However, motor and general insurance lines of business' liabilities are adequately covered by excess of loss reinsurance programs to guard against major financial impact.

48% of the Group's business (31 December 2024: 49%) is characterised by low-risk retention. The Group's exposure to high-retention segments, such as motor insurance, remains limited. While motor represents a higher retained line, its profitability has improved compared to the prior year, supported by industry-wide pricing increases. In addition, the Group maintains adequate coverage for the portion of its non-retained losses. Accordingly, the Group does not anticipate any material adverse financial impact on insurance's profit.

The insurance risk arising from insurance contracts is primarily concentrated in the United Arab Emirates. The geographical concentration of risks is similar to the year ended 31 December 2024.

There were no significant changes in the Group's objectives, policies and procedures for managing risk and the methods used to measure risk compared to the previous year.

Two key elements of the Group's insurance risk management framework are its underwriting strategy and reinsurance strategy, as discussed below.

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

25 Insurance and financial risk (continued)

25.2 (a) Underwriting strategy

The Group's underwriting strategy is to build balanced portfolios based on a large number of similar risks to diversify the typical insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The underwriting strategy is set out by the Group and aims to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography. The strategy considers the classes of business to be written, the locations in which business is to be written and the industry sectors in which the Group is prepared to underwrite.

This strategy is executed by the business units in individual underwrites through detailed underwriting authorities that set out the limits that any one underwrite can write by line, class of business, industry and industry in order to ensure appropriate risk selection within the portfolio. Generally, all general insurance contracts are annual in nature and the Group has the right to refuse, renewal or to change the terms and conditions of the contract as renewal as well as to reject the payment of a fraudulent claim.

Insurance contracts also enable the Group to pursue third parties for payment of some or all costs (for example subrogation).

Ratios are reviewed by the business units on an annual basis to confirm or otherwise the pricing assumptions, when appropriate. Analysis is performed on earnings and liability movements to understand the source of any material variation in actual results from what was expected. This confirms the appropriateness of assumptions used in underwriting and pricing.

25.2 (b) Managing reinsurance risks

In common with other insurance companies, the Group engages in reinsurance agreements with external parties as a standard business practice to reduce financial risk associated with a significant insurance claims. These arrangements permit business diversification, enable management to manage exposure to potential losses from major risks, and offer additional room for expansion. The Group primarily utilizes treaty, facultative and excess of loss reinsurance contracts for a substantial portion of its reinsurance needs.

To minimise its exposure to significant losses from reinsurance insolvencies, the Group evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers.

25.2.2 Claims development

25.2.2 (a) Claims development table grow

The following tables show the amounts of cumulative undiscounted amounts of incurred claims, including both claims notified and IBNR for each successive accident year in each reporting date, together with cumulative payments to date. The Group provides information on the past and no claims development for the current reporting period and five years historically and considers that there's no significant uncertainty with regard to the claims that were incurred more than 5 years before the reporting period.

Al Wafaha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (re-audited)

25 Insurance and finance (risk (re-audited))

25.2 Insurance risk (re-audited)

25.2.2 Claims development (re-audited)

25.2.2 (a) Claims development table (gross)

Accident year

	2020 AED'000	2021 AED'000	2022 AED'000	2023 AED'000	2024 AED'000	2025 AED'000	Total AED'000
At the end of each accident year							
1 year late	573,923	411,538	74,194	38,461	191,046	66,734	66,734
2 years late	321,007	36,234	34,306	47,017	174,314		174,314
3 years late	520,253	33,945	52,891	30,251			30,251
4 years late	506,890	31,679	56,030				56,030
5 years late	463,345	30,705					30,705
6 years late	495,190						495,190
Cumulative gross claims and also directly attributable expenses paid	1483,1157	123,1413	141,0997	138,7370	195,2217	14,3731	1,630,1307

Gross cumulative claims liabilities - accident years from

30/01/2025

	12,073	7,004	15,000	21,504	78,993	61,853	197,030
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Gross cumulative claims liabilities - prior accident years

Effect of discounting

							(4,0965)
--	--	--	--	--	--	--	----------

Effect of risk adjustment for non-invested risk

Others*

							10,140
--	--	--	--	--	--	--	--------

Total gross liabilities for reserved claims - General Insurance

							21,934
--	--	--	--	--	--	--	--------

* Others include gross underwritten loss adjustment expenses reserved and insurance claim payable

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Al Wafaha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (re-audited)

25 Insurance and finance (risk (re-audited))

25.2 Insurance risk (re-audited)

25.2.2 Claims development (re-audited)

25.2.2 (a) Claims development table (gross)

Accident year

	2020 AED'000	2021 AED'000	2022 AED'000	2023 AED'000	2024 AED'000	2025 AED'000	Total AED'000
At the end of each accident year							
1 year late	1,250,333	134,451	141,600	144,611	241,374	301,314	301,314
2 years late	1,230,325	136,236	149,056	147,129	243,723		243,723
3 years late	1,212,981	143,438	152,313	147,093			147,093
4 years late	1,217,930	144,910	147,362				147,362
5 years late	1,213,000	138,737					138,737
6 years late	1,206,733						1,206,733
Cumulative gross claims and also directly attributable expenses paid	11,203,4807	1,137,2907	1,145,4930	1,137,2840	1,218,1170	1,231,4680	2,073,1107

Gross cumulative claims liabilities - accident years from

30/01/2025

	3,347	1,441	1,904	9,311	25,608	75,746	117,257
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Gross cumulative claims liabilities - prior accident years

Effect of discounting

							(4,6167)
--	--	--	--	--	--	--	----------

Effect of risk adjustment for non-invested risk

Others*

							4,112
--	--	--	--	--	--	--	-------

Total gross liabilities for reserved claims - Marine

							73,481
--	--	--	--	--	--	--	--------

* Others include Gross underwritten loss adjustment expenses reserved and insurance claim payable

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Al Waritha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

25.2 Insurance risk (continued)

25.2.2 Claims development (continued)

25.2.2(a) Claims development table (a)

Accident year	2020 AED'000	2021 AED'000	2022 AED'000	2023 AED'000	2024 AED'000	2025 AED'000	Total AED'000
Medical Gross:							
Estimate of ultimate claim costs (years of claims period undiscovered, including re-estimated directly attributable losses related to claims management)	-	-	-	-	-	-	-
At the end of each accident year							
1 year loss	-	-	-	17,577	154,853	-	154,853
2 years loss	-	-	-	17,668	-	-	17,668
3 years loss	-	-	-	-	-	-	-
4 years loss	-	-	-	-	-	-	-
5 years loss	-	-	-	-	-	-	-
Cumulative gross claims and ratio directly attributable expenses paid	-	-	-	17,692	119,083	-	137,337

25.2.2(b) Claims development table (b)

Gross cumulative claims liabilities - accident years from 2020 to 2025	-	-	-	-	35,170	-	35,170
Gross cumulative claims liabilities - prior accident years	-	-	-	-	-	-	-
Effect of discounting	-	-	-	-	-	-	(20,900)
Effect of risk adjustment for non-financial risk	-	-	-	-	-	-	145
Others*	-	-	-	-	-	-	-
Total gross liabilities for incurred claims - Medical	-	-	-	-	-	-	14,375

* Others include gross unallocated loss adjustment expenses reserves and non-incident claim payable

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Al Waritha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

25.2 Insurance risk (continued)

25.2.2 Claims development (continued)

25.2.2(a) Claims development table (a)

Accident year	2020 AED'000	2021 AED'000	2022 AED'000	2023 AED'000	2024 AED'000	2025 AED'000	Total AED'000
General Gross:							
Estimate of ultimate claim costs (years of claims period undiscovered, including re-estimated directly attributable losses related to claims management)	32,179	6,488	8,037	7,491	15,488	11,029	110,792
At the end of each accident year	78,470	5,901	6,833	6,532	15,578	-	133,314
1 year loss	64,801	5,614	6,870	8,179	-	-	85,464
2 years loss	64,801	5,513	7,934	-	-	-	79,248
3 years loss	61,285	5,143	-	-	-	-	66,428
4 years loss	59,372	-	-	-	-	-	59,372
5 years loss	156,287	13,773	15,525	14,314	19,773	11,325	241,997
Cumulative gross claims and ratio directly attributable expenses paid	346	1,388	2,409	3,603	3,800	9,704	24,360
Net cumulative claims liabilities - accident years from 2020 to 2025	-	-	-	-	-	-	-
Net cumulative claims liabilities - prior accident years	-	-	-	-	-	-	-
Effect of discounting	-	-	-	-	-	-	(18,580)
Effect of risk adjustment for non-financial risk	-	-	-	-	-	-	762
Others*	-	-	-	-	-	-	-
Total net liabilities for incurred claims	-	-	-	-	-	-	13,470

* Others include gross unallocated loss adjustment expenses reserves and non-incident claim payable

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Al Waritha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (re-audited)

25 Insurance and finance (risk re-assured)

25.2 Insurance risk (re-assured)

25.2.2 Claims development (re-assured)

25.2.2.1 Claims development liability net

Account year	2020	2021	2022	2023	2024	2025	Total
Estimate of ultimate claim costs (net of reinsurance) undiscovered, inclusive of ratio directly attributable to expenses related to claims management)	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
At the end of each year							
1 year later	1,009,358	1,29,014	1,84,045	1,08,234	1,38,935	3,00,528	1,00,520
2 years later	1,030,434	1,29,157	1,28,023	1,10,140	1,29,334	-	1,29,334
3 years later	1,014,305	1,25,177	1,31,204	1,02,361	-	-	1,02,361
4 years later	1,015,643	1,27,318	1,21,483	-	-	-	1,21,483
5 years later	1,012,129	1,31,256	-	-	-	-	1,31,256
	1,006,500	1,150,803	-	-	-	-	1,006,500
	1,003,227	1,150,803	-	-	-	-	1,150,803
Cumulative claims and ratio directly attributable expenses paid			1,126,125	1,102,319	1,144,213	1,193,291	-
Net cumulative claims liabilities - accident years from 2020 to 2025	3,233	532	1,315	8,042	13,016	85,925	83,838
Net cumulative claims liabilities - 3 to 5 years later	-	-	-	-	-	-	-
Effect of discounting	-	-	-	-	-	-	13,408
Effect of risk adjustment for non-financial risk	-	-	-	-	-	-	3,743
Others*	-	-	-	-	-	-	84,082
Total liabilities for incurred claims	-	-	-	-	-	-	117,591

* Other includes unallocated loss adjustment expenses, reinsurance performance ratio and net (re)insurance claims payable

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Al Waritha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (re-audited)

25 Insurance and finance (risk re-assured)

25.2 Insurance risk (re-assured)

25.2.2 Claims development (re-assured)

25.2.2.1 Claims development liability net

Account year	2020	2021	2022	2023	2024	2025	Total
Estimate of ultimate claim costs (net of reinsurance) undiscovered, inclusive of ratio directly attributable to expenses related to claims management)	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
At the end of each year							
1 year later	-	-	-	-	3,315	30,938	30,938
2 years later	-	-	-	-	3,540	-	3,540
3 years later	-	-	-	-	-	-	-
4 years later	-	-	-	-	-	-	-
5 years later	-	-	-	-	-	-	-
Cumulative claims and ratio directly attributable expenses paid	-	-	-	-	13,540	1,23,940	137,480
Net cumulative claims liabilities - accident years from 2020 to 2025	-	-	-	-	-	7,036	7,036
Net cumulative claims liabilities - 3 to 5 years later	-	-	-	-	-	-	-
Effect of discounting	-	-	-	-	-	-	625
Effect of risk adjustment for non-financial risk	-	-	-	-	-	-	11,020
Others*	-	-	-	-	-	-	119,820
Total liabilities for incurred claims	-	-	-	-	-	-	139,141

* Other includes unallocated loss adjustment expenses, reinsurance performance ratio and net (re)insurance claims payable

25.2.3 Sensitivity of underwriting profit and losses

The underwriting risk of any agreed non-recoverable is the probability that the sum of over-excess and the total of estimated non-recoverable is greater than the sum of the sum of an insurance contract. This risk is often underwritten and the amount of payable claims is even more significant. Therefore, the Group applies the principle of probability, based on all pricing and provisioning. Despite the significant underwriting risk, the overall claims payments exceed the estimated amount of the non-recoverable as will be given due to the uncertainty of the frequency of claims being greater than estimated.

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Al Wafaa National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

25.2 Insurance risk (continued)

25.2.3 Sensitivity of underwriting profit and losses (continued)

The following table provides information on how reasonably possible changes in assumptions made by the Group with regard to underwriting risk variables impact the insurance liabilities, profit or loss and equity before and after risk mitigation by reinsurance contracts held. These contracts are measured under the P&A and thus, only the L&C component of insurance liabilities is shown and possible changes in underwriting risk variables. The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated.

(a) Sensitivity analysis for contracts assumed under *P&A*

	31 December 2025			
	LIC / L&C as at 31 December AED'000	Impact on LIC/L&C AED'000	Impact on profit before reinsurance AED'000	Impact on equity AED'000
Insurance contracts liabilities	434,135			
Reinsurance contracts assets	(308,912)			
Net insurance contracts liabilities	125,223			
<u>Discount rate +0.25%</u>				
Insurance contracts liabilities	432,343	(1,792)	1,792	1,792
Reinsurance contracts assets	(307,548)	1,364	(1,364)	(1,364)
Net insurance contracts liabilities	124,795	(428)	428	428
<u>Discount rate -0.25%</u>				
Insurance contracts liabilities	436,027	1,892	(1,892)	(1,892)
Reinsurance contracts assets	(310,276)	(1,364)	1,364	1,364
Net insurance contracts liabilities	125,751	428	(428)	(428)
<u>Reclassification +5%</u>				
Insurance contracts liabilities	438,202	4,067	(4,067)	(4,067)
Reinsurance contracts assets	(312,161)	(3,249)	3,249	3,249
Net insurance contracts liabilities	126,041	728	(728)	(728)
<u>Reclassification -2%</u>				
Insurance contracts liabilities	430,615	(3,520)	3,520	3,520
Reinsurance contracts assets	(306,033)	2,834	(2,834)	(2,834)
Net insurance contracts liabilities	124,582	(686)	686	686

Al Wafaa National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

25.2 Insurance risk (continued)

25.2.3 Sensitivity of underwriting profit and losses (continued)

(a) Sensitivity analysis for contracts assumed under *P&A* (continued)

	31 December 2024			
	LIC / L&C as at 31 December AED'000	Impact on LIC / L&C AED'000	Impact on profit before tax AED'000	Impact on equity AED'000
Insurance contracts liabilities	410,258			
Reinsurance contracts assets	(284,246)			
Net insurance contracts liabilities	126,012			
<u>Discount rate +0.25%</u>				
Insurance contracts liabilities	409,222	(1,036)	1,036	1,036
Reinsurance contracts assets	(283,190)	1,036	(1,036)	(1,036)
Net insurance contracts liabilities	126,032	(920)	920	920
<u>Discount rate -0.25%</u>				
Insurance contracts liabilities	412,404	1,036	(1,036)	(1,036)
Reinsurance contracts assets	(285,302)	(1,036)	1,036	1,036
Net insurance contracts liabilities	127,102	920	(920)	(920)
<u>Reclassification +1.5%</u>				
Insurance contracts liabilities	415,913	5,060	(5,060)	(5,060)
Reinsurance contracts assets	(283,137)	(3,291)	3,291	3,291
Net insurance contracts liabilities	132,776	1,169	(1,169)	(1,169)
<u>Reclassification -2%</u>				
Insurance contracts liabilities	406,266	(4,492)	4,492	4,492
Reinsurance contracts assets	(280,200)	3,496	(3,496)	(3,496)
Net insurance contracts liabilities	126,066	(1,046)	1,046	1,046

Al Wafha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

5.3 Financial risk

The Group is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long-term re-investment proceeds are not sufficient to fund the obligations arising from its insurance contracts. The most important components of this financial risk are credit risk, market risk (which includes equity price risk, interest rate risk and foreign currency exchange risk) and liquidity risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Key areas where the Group is exposed to credit risk are:

	As at 31 December	
	2025 AED'000	2024 AED'000
Reinsurance contract assets	258,239	242,302
Other receivables	5,516	4,427
Funds at Lloyd	49,155	-
Term deposits	28,870	3,902
Security deposits	6,000	6,000
Cash and cash equivalents	24,391	28,181
	<u>402,161</u>	<u>329,992</u>

The carrying amounts of financial assets recorded in the consolidated financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk for such receivables and liquid funds.

A summary of the Group's exposure to credit risk for cash and cash equivalents, term deposits and security deposits are as follows:

	As at 31 December	
	2025 AED'000	2024 AED'000
Cash and cash equivalents, term deposits and security deposits (Based on A1, Aaa, S&P, Aaa, Aaa and Aaa rating)		
A+	33,906	8,232
A	114,472	13,328
BBB	10,037	6,023
Unrated	1	2,322
Total	<u>158,416</u>	<u>29,905</u>

Other financial assets are equity investments and therefore do not carry external credit ratings. Accordingly, they are classified as unrated.

Al Wafha National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

5.3 Financial risk (continued)

(a) Credit risk (continued)

Management of credit risk

The Group manages its credit risk by monitoring credit exposures, limiting transactions with agreed counterparties and continually assessing the creditworthiness of counterparties.

There is no significant concentration of credit risk with respect to cash and banks, as the Group holds cash accounts in a number of financial institutions. The credit risk on deposits with term deposits, security deposits and cash and cash equivalents is limited because the counterparties are covered banks with sound financial positions.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Group's liability as the primary insurer. If a reinsurer fails to pay a claim for any reason, the Group remains liable for the payment to the policyholder. The reinsurer is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparty limits that are set each year by the Board of Directors and are subject to regular reviews. At each reporting date, management performs an assessment of a counterparty's creditworthiness and updates the reinsurer purchase strategy, including suitable allowance for impairment.

The Group maintains records of the payment history for significant contract holders with whom it conducts regular business. Exposure to individual counterparties is also managed by other mechanisms, such as the right of offset where counterparties are subsidiaries and associates of the Group. Management information reported in the Group includes details of expected cash flows on insurance receivables and subsequent write-offs. Exposure to individual policyholders and groups of policyholders is collected when the ongoing monitoring of contracts.

(b) Market risk

Market risk quantifies the adverse impact due to market movements on assets, liabilities, cash flows. Market risk drivers include equity prices, credit spreads, foreign exchange rates and interest rates. The Group limits market risk by maintaining a diversified portfolio, which also allocation guidelines and by continuous monitoring of developments in local equity, real estate and debt markets. In addition, the Group actively monitors the key factors that affect market movements, including analysis of the operational and financial performance of investors and properties.

Management of market risk

The Group manages its exposure to market risk between trading and non-trading portfolios. Trading portfolios include positions arising from market making and proprietary position taking, together with financial assets and liabilities that are managed on a fair value basis.

The Group limits market risk by maintaining a diversified portfolio and by continuous monitoring of developments in the market. In addition, the Group actively monitors the key factors that affect stock and market movements, including analysis of the operational and financial performance of investors and properties.

(c) Equity price risk

Equity price risk is the risk that the fair value of equities change as the result of changes in the levels of equity indices and the value of individual stocks. The equity price risk exposure arises from the Group's investment portfolio.

Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

25.3 Financial risk (continued)

(b) Market risk (continued)

(i) Equity price risk (continued)

The following table summarizes the sensitivity to a possible change in equity markets on the Group's total comprehensive income for the year, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown. This analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated.

Market index	Change in variable	Impact on net profit AED'000	Impact on after comprehensive income AED'000
31 December 2025			
Abu Dhabi Securities Exchange	5%	32,090	5,522
Dubai Financial Market	5%	-	2,817
Other Markets	5%	-	26

Market index	Change in variable	Impact on net profit AED'000	Impact on after comprehensive income AED'000
31 December 2024			
Abu Dhabi Securities Exchange	5%	30,969	6,194
Dubai Financial Market	5%	694	2,102
Other Markets	5%	-	0

(ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Group is not extensively exposed to interest rate risk as its interest-bearing assets are re-priced frequently.

Term deposits with banks are carried at fixed interest rates, however these are not subject to fair value interest rate risk as they have a minimum maturity of 12 months and are regularly re-priced.

Sensitivity analysis

At 31 December 2025, if market interest rates had been 100 basis points higher/lower and all the other variables were held constant, the Group's profit for the year before tax would decrease/increase by AED 222 thousand (31 December 2024: AED 89 thousand) as a result of change in the interest rate on term deposits.

At 31 December 2025 and 2024, considering interest rates had been 50 basis points higher/lower and all the other variables were held constant, would not result in a material difference on the Group's profit for the year before tax as a result of change in the interest rate on borrowings.

Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

25 Insurance and financial risk (continued)

25.3 Financial risk (continued)

(b) Market risk (continued)

(iii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates and arises from financial instruments denominated in a foreign currency. The Group's functional currency is the UAE Dirham.

The Group's major transactions in foreign currencies are in US Dollars. As the exchange rates of the UAE Dirham is pegged to the US Dollar, the Group is not subject to significant currency risk.

(c) Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its funding requirements. Bank facilities, policyholders and reinsurers are the main sources for the Group and the liquidity risk for the Group is expected to be low. The Group manages the liquidity risk by maintaining adequate reserves by continuously monitoring its cash and actual cash flows and matching the maturity profile of financial assets and liabilities.

The table below summarizes the maturity profile of the Group's financial liabilities with maturities determined on the basis of the remaining period from the end of the reporting period to the contractual maturity payment date. The LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held measured at the PAA are not included in liabilities. The maturity profile is monitored by management to ensure adequate liquidity is maintained. The reported maturity profile of the liabilities at 31 December 2025 and 2024 is as follows:

	0-120 days AED'000	121-365 days AED'000	More than 1 year up to 3 years AED'000	Total of scheduled cash flows AED'000
As at 31 December 2025				
Borrowings	36,714	9,977	36,974	133,667
Saved remuneration and other payable	11,174	-	-	11,174

	0-120 days AED'000	121-365 days AED'000	More than 1 year up to 3 years AED'000	Total of undiscounted cash flows AED'000
As at 31 December 2024				
Borrowings	11,920	45,780	57,977	115,714
Saved remuneration and other payable	28,145	-	-	28,145

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

25 Insurance and financial risk (continued)

25.3 Financial risk (continued)

(c) Liquidity risk (continued)

Maturity profile for insurance and reinsurance liabilities based on the present value of the future cashflows

	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
As at 31 December 2025	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Insurance contracts liabilities	457,933	121,407	36,303	10,391	2,459	1,166	629,590
Reinsurance contracts assets	131,661	23,649	24,400	6,134	1,614	715	238,229

	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
As at 31 December 2024	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Insurance contracts liabilities	412,968	87,844	28,110	10,592	933	106	540,353
Reinsurance contracts liabilities	1,259	-	-	-	-	-	1,259
Reinsurance contracts assets	186,378	36,019	19,029	5,771	753	70	247,560

25.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's people, processes and systems, or from external factors (including legal, regulatory, cyber and regulatory risks). Operational risk arise from all of the Group's operations.

The Group cannot expect to eliminate all operational risks, but by maintaining a rigorous control framework and by monitoring and responding to potential risks, the Group is able to manage the risks. Controls include effective segregation of duties, access controls, authorization and reconciliation, onboarding, staff education and investment processes.

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31
December 2025 (continued)

26 Fair value of financial instruments and non-financial assets

Financial instruments comprise of financial assets and financial liabilities.

(a) Fair value hierarchy

Fair value is the price that would be received to sell an asset or, paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability. If market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly, and.
- Level 3 inputs are unobservable inputs for the asset or liability.

(b) Fair value hierarchy

The following table analysis financial instruments measured at fair value at the reporting date by the level of the fair value hierarchy into which the fair value measurement is categorized.

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
As at 31 December 2025				
Financial assets				
Financial assets at fair value through profit or loss	641,797	13,115	-	654,912
Financial assets at fair value through other comprehensive income	167,100	-	345	167,445
Other assets requiring fair value measurement				
Investment properties	-	-	661,542	661,542
	809,000	13,115	661,887	1,484,002

Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

26 Fair value of financial instruments and non-financial assets (continued)

(4) Fair value hierarchy (continued)

	Level 1 AED'000	Level 2 ^a AED'000	Level 3 AED'000	Total AED'000
As at 31 December 2024				
Financial assets				
Financial assets at fair value through profit or loss	600,980	45,122	-	646,102
Financial assets at fair value through other comprehensive income	131,070	5,031	432 ^{bb}	136,543
Other assets requiring fair value measurement				
Investment properties	-	-	323,215	323,215
	<u>732,050</u>	<u>50,153</u>	<u>323,215</u>	<u>1,415,268</u>

During the year ended 31 December 2025, certain investments were transferred from Level 2 to Level 1 when their fair value hierarchy no longer met the criteria to be classified as Level 2.

FVTPL Investments: Financial assets measured at fair value through profit or loss (FVTPL) amounting to AED 34,589 thousand were reclassified from Level 2 to Level 1 during the year ended 31 December 2025 due to the availability of observable market trading prices in an active market (there was no transfer between levels of the fair value hierarchy during the year ended 31 December 2024).

FVOCI Investments: Financial assets measured at fair value through other comprehensive income (FVOCI) amounting to AED 4,994 thousand were reclassified from Level 2 to Level 1 following the availability of quoted prices in an active market (there was no transfer between levels of the fair value hierarchy during the year ended 31 December 2024).

^a These investments are valued using the quoted prices, however, due to inactive market classified under Level 2.

^{bb} For Investments under Level 3, the fair values are based on Net Asset Value (NAV).

The fair value for the investment properties was determined using either of the following approaches: Income Capitalisation Approach, Sales Comparable Approach and Residual method of valuation. The main assumptions in the Income Capitalisation Approach are the Capitalisation rate ranging from 7% to 8% (31 December 2024: 7% to 9%) and the rental rate.

Residual rates have been obtained based on capitalisation approach, market comparable approach, room and revision approach and vacancy information. In measuring the fair value of the properties, the highest and best use of the properties is considered as their fair value.

There has been no change in the valuation techniques used during the year ended 31 December 2025 and 2024. The inputs used in the valuation are not based on observable market data and thus the valuation techniques is considered as Level 3 fair value measurements.

Al Wafda National Insurance Company PJS C

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

26 Fair value of financial instruments and non-financial assets (continued)

(c) Reconciliation of Level 3 fair value measurements

Movement in Level 3 fair value measurements is as follows:

	As at 31 December	
	2025	2024
	AED'000	AED'000
Balance as at 1 January	432	700
Deposited	-	-
Change in fair value	(93)	(170)
Balance as at 31 December	<u>339</u>	<u>530</u>

The fair value of the financial assets is included as the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(d) Sensitivity analysis for investments under Level 3

For the fair value of equity securities, reasonably possible changes in the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

	Total impact on net assets	
	Increase AED'000	Decrease AED'000
31 December 2025		
Adjusted net asset value (5% increase)	12	(12)
31 December 2024		
Adjusted net asset value (5% increase)	22	(22)

(e) Fair value of financial instruments that are not measured at fair value (but fair value disclosure is required)

Due to short-term nature of cash and cash equivalents, trade payables and other receivables, their carrying amount is considered to be a reasonable approximation of their fair values.

For currency deposits and borrowings, their fair values are also not significantly different from their carrying amounts.

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

27. Commitments and contingencies

(a) Contingent liabilities

As 31 December 2025, the Group had contingent liabilities in respect of outstanding letters of guarantee issued in the normal course of business, amounting to AED 6,305 thousand (31 December 2024: AED 6,305 thousand). Out of these outstanding letters of guarantee AED 6,000 thousand is held against a bank guarantee issued in favour of the CBUAE (note 9) (31 December 2024: AED 6,000 thousand) is held against a bank guarantee issued in favour of the CBUAE.

In addition, the Group has issued a bank guarantee amounting to GBP 10,000 thousand as part of its Funds at Lloyd's (FAL) requirements on behalf of its corporate members in favour of "The Society and Council of Lloyd's".

As 31 December 2025, the Group's share in contingent liabilities and commitments in respect of its subsidiaries amounted to AED 257 thousand (31 December 2024: AED 243 thousand) and AED 12,863 thousand (31 December 2024: AED 1,079 thousand) respectively.

(b) Legal claims

The Group, commonly with the significant majority of insurers, is subject to litigation in the normal course of the business. Management, based on advice from independent law advisors and internal legal counsel, has made a provision of AED 12,470 thousand (31 December 2024: AED 9,048 thousand) representing amounts expected to result in a probable outflow of economic resources.

28. Corporate tax

On December 9, 2022, the UAE Ministry of Finance issued the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime is effective for accounting periods beginning on or after 1 June 2023.

The Cabinet of Ministers Decision No. 118/2022, effective from January 2023, has confirmed the threshold of income over which the 9% tax rate would apply, and the Law is considered to be substantively enacted. A rate of 9% applies to taxable income exceeding AED 375,000. A rate of 0% applies to taxable income not exceeding AED 375,000. In December 2024, the UAE's Ministry of Finance issued Cabinet Decision No. 142 of 2024 that implements a Domestic Minimum Top-up Tax ("DMTT" or "DMTT Law") in the UAE. The DMTT is effective for financial years starting on or after 1 January 2025. The DMTT applies to Multinational Enterprises ("MNEs") that are within scope of Pillar Two based on the OECD Global Anti-BASE Erosion ("GloBE") Model Rules and is imposed in cases where the MNE's effective tax rate ("ETR") in the UAE is below 15%. The DMTT applies to MNEs with global consolidated revenues for at least two of the preceding four fiscal years) of at least EUR 750m, including MNEs headquartered in and outside the UAE. The Group is not subject to Pillar Two as it does not meet the global consolidated revenue threshold of EUR 750 million.

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

28. Corporate tax (continued)

	For the year ended 31 December	
	2025	2024
	AED'000	AED'000
(a) Amount recognised in the consolidated statement of financial position		
Deferred tax liability	(7,503)	(2,627)
(b) Amount recognised in the consolidated statement of profit or loss		
Current income tax expense	-	-
Current tax (refunds) / credit	-	-
Deferred tax expense		
Deferred income tax expense, relating to acquisition and reversal of temporary differences	(7,394)	(6,982)
Tax loss carried forward	790	4,805
Total income tax expense	(6,604)	(2,177)

	For the year ended 31 December	
	2025	2024
	AED'000	AED'000
(c) Amount recognised in the consolidated statement of profit or loss and other comprehensive income		
Loss on sale of financial assets at fair value through other comprehensive income	-	293
Deferred income tax expense, relating to acquisition and reversal of temporary differences	(1,782)	11
Total income tax (refunds) / credit	(1,782)	304

	For the year ended 31 December	
	2025	2024
	AED'000	AED'000
(d) Reconciliation of taxable income (loss)		
Profit before tax	100,383	39,182
Adjustment for non-aggregated financial statements	11,780	-
Adjusted profit before tax	112,163	39,182
Effect of items that are not recognised in determining taxable income/loss		
Tax-exempt income	(55,483)	(32,202)
Realisation losses adjustments	(82,153)	(48,491)
Share of profit of equity accounted investees reported net of tax	(3,775)	(6,112)
Provisioning loss on sale of financial assets	-	(21,693)
Non-deductible expenses	4,713	2,545
Impairment and other adjustments	20,291	30,473
Taxable income	(13,345)	(142,900)

As the Group does not have any taxable income for the years ended 31 December 2025 and 2024, there is no resulting income tax expense, relating in those years.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended
31 December 2025 (continued)

28 Corporate tax (continued)

(g) *Reclassification of deferred tax liabilities*

	Net balance as at 1 January AED'000	Recognized in profit or loss (see 6) AED'000	Recognized in OCI (see 6) AED'000	Deferred tax assets AED'000	Deferred tax liabilities AED'000	Net Deferred tax AED'000
As at 31 December 2025						
Investment properties	(4,925)	(4,312)	-	-	(11,240)	(11,240)
Financial assets at fair value through profit or loss	(63)	(2,075)	-	-	(2,138)	(2,138)
Financial assets at fair value through OCI	(11)	-	1,910	1,999	-	1,999
Removals assets of defined benefit obligations	-	-	78	78	-	78
Tax loss carry forward	4,312	790	-	5,102	-	5,102
Tax (liabilities)/assets	(1,287)	(6,404)	1,988	6,379	(14,378)	(7,911)

(h) *Reclassification of deferred tax liabilities (continued)*

	Net balance as at 1 January AED'000	Recognized in profit or loss (see 6) AED'000	Recognized in OCI (see 6) AED'000	Deferred tax assets AED'000	Deferred tax liabilities AED'000	Net deferred tax AED'000
As at 31 December 2024						
Investment properties	-	(6,925)	-	-	(6,925)	(6,925)
Financial assets at fair value through profit or loss	-	(63)	-	-	(63)	(63)
Financial assets at fair value through OCI	-	-	(11)	-	(11)	(11)
Tax loss carry forward	-	4,605	(292)	4,312	-	4,312
Tax (liabilities)/assets	-	(2,383)	(304)	4,312	(6,999)	(2,687)

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended
31 December 2025 (continued)

29 Comparative financial information

The change in the comparative information for items (a), (b) and (c) do not have a material qualitative impact on the consolidated financial statements as a whole, accordingly, in this balance sheet is not presented.

a) Reclassification of the items previously included within "Income from investments net"

In the previous year, the items from income from investments assets at amortized cost, changes in fair value of investment properties, net and other investments in periods were presented within "Income from investments net" on the face of the consolidated statement of profit or loss.

During the current year, management disaggregated "Income from investments net" into "Income from investments net", "Changes in fair value of investment properties, net" and "Other investments net" on the face of the consolidated statement of profit or loss instead of presenting them as one line item. This disaggregation provides more relevant and reliable information to the users, by presenting the related items on a periodic basis as separate line items.

There is no effect on the consolidated statement of financial position, profit or loss and other comprehensive income, changes in shareholders' equity and cash flows. Further, the above disaggregation does not have any effect on the new assets or liabilities of the Group as at 31 December 2024.

Accordingly, the above adjustment is a reclassification of items that were within the "Income from investments net" and does not have a material quantitative impact on the consolidated statement of profit or loss as a whole.

b) Re-presentation of "Share of profit of equity-accounted investees" and "Impairment loss of equity-accounted investees" after the line item of Finance cost

In the prior year, the "Finance" Share of profit of equity-accounted investees and "Impairment loss of equity-accounted investees" were presented under the "Other income from investments, net" section on the face of the consolidated statement of profit or loss.

During the current year, management presented these items on the face of the consolidated statement of profit or loss after the Finance section. This is because these items do not have part of the investment income and the new presentation contributes with a better understanding of the Group's Finance performance as it is seen in regard of the equity-accounted investees. This re-presentation was done in accordance with IAS 1 requirements.

There is no effect on the consolidated statement of financial position, profit or loss and other comprehensive income, changes in shareholders' equity and cash flows. Further, the above re-presentation does not have any effect on the new assets and liabilities of the Group as at 31 December 2024.

	For the year ended 31 December 2024 as previously presented AED'000	Adjustment (a) AED'000	Adjustment (b) AED'000	For the year ended 31 December 2024 as re-presented AED'000
Financial Statement Line Item (see note)				
Changes in fair value of investment properties	-	76,946	-	76,946
Income from investments net	-	1,129	-	1,129
Other income from investments net	91,776	(77,921)	-	13,854
Other investment income	-	(6,257)	-	(6,257)
For investment income (total)	91,776	(76,792)	1,129	15,113

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended
31 December 2025 (continued)

29 Comparative financial information (continued)

c) Presentation of "Reinsurance contract assets" and "Reinsurance contract liabilities"

In the prior year, the line items "Reinsurance contract assets" included "Asset for insured Claims" ("AIC") and "Reinsurance contract liabilities" included "Asset for Reinsuring Coverage" ("REC"). Information presented separately on the face of the consolidated statement of financial position.

During the current year, management reassessed the presentation based on the portfolio of contracts. The presentation of "Asset for Reinsuring Coverage" ("REC") and "Asset for insured Claims" ("AIC") portfolio was revised as follows, thereon a reclassification portfolio level as either an asset or liability.

	As at 31 December 2024		As at 31 December 2024
Financial Statement Line Item	As previously presented A.E.D'000	Adjustment A.E.D'000	As reclassified A.E.D'000
Reinsurance contract assets	(128,345)	16,794	(111,551)
Reinsurance contract liabilities	18,001	(16,794)	1,207

	As at 1 January 2024		As at 1 January 2024
Financial Statement Line Item	As previously presented A.E.D'000	Adjustment A.E.D'000	As reclassified A.E.D'000
Reinsurance contract assets	(115,825)	15,441	(100,384)
Reinsurance contract liabilities	15,441	(15,441)	-

	For the year ended 31 December 2024		For the year ended 31 December 2024
Financial Statement Line Item	As previously presented A.E.D'000	Adjustment A.E.D'000	As reclassified A.E.D'000
Reinsurance contract assets	(118,161)	(18,698)	(136,859)
Reinsurance contract liabilities	(11,419)	18,698	7,279

There is no effect on the consolidated statement of profit or loss, profit or loss and other comprehensive income and changes in shareholders' equity for the year ended 31 December 2024.

d) Redesignation of "Financial assets at amortized cost" to "Financial assets at fair value through profit or loss"

In the prior year, the line item "Financial assets at amortized cost" included Treasury bill investments (bills) and bonds previously issued, also debt investments at amortized cost. These Treasury bills and bonds as equity investments from the issuer's perspective and have been moved to the amortized cost classification as per IFRS 9 (Financial Instruments) on initial recognition. As such management has revised the classification of these investments and reclassified these investments within the PSL "Financial assets at fair value through profit or loss" in the consolidated statement of financial position.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended
31 December 2025 (continued)

29 Comparative financial information (continued)

d) Redesignation of "Financial assets at amortized cost" to "Financial assets at fair value through profit or loss" (continued)

	As at 31 December 2024		As at 31 December 2024
Financial Statement Line Item	As previously presented A.E.D'000	Adjustment A.E.D'000	As reclassified A.E.D'000
Financial assets at amortized cost	12,811	(12,811)	-
Financial assets at fair value through profit or loss (FVTPL)	611,362	12,811	624,173

	As at 1 January 2024		As at 1 January 2024
Financial Statement Line Item	As previously presented A.E.D'000	Adjustment A.E.D'000	As reclassified A.E.D'000
Financial assets at amortized cost	14,098	(14,098)	-
Financial assets at fair value through profit or loss (FVTPL)	548,541	14,098	562,639

There is no material effect on the consolidated statement of profit or loss, profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year ended 31 December 2024.

e) Aggregation of "Investment properties" and "Investment properties under development"

In the prior year, the line items "Investment properties" and "Investment properties under development" were presented separately on the face of the consolidated statement of financial position.

During the current year, management aggregated "Investment properties under development" with "Investment properties" on the face of the consolidated statement of financial position instead of presenting them as separate line items. This aggregation provides more relevant and reliable information as the property under development is aggregated with the related land and presented in the same financial statement line item. The breakdown of "Investment properties" is provided in the Note 10.

There is no effect on the consolidated consolidated statement of profit or loss, profit or loss and other comprehensive income, changes in shareholders' equity and cash flows. Further, the above aggregation does not have any effect on the total assets and liabilities of the Group as at 31 December 2024.

	As at 31 December 2024		As at 31 December 2024
Financial Statement Line Item	As previously presented A.E.D'000	Adjustment A.E.D'000	As reclassified A.E.D'000
Investment properties	457,857	(15,158)	442,699
Investment properties under development	(15,158)	(15,158)	-

Accordingly, introducing the above adjustment is an aggregation of two line items within and across, and does not have a material qualitative impact on the consolidated financial statements as a whole, as the difference has a net positive effect.

Al Wathba National Insurance Company PJSC
Notes to the consolidated financial statements for the year ended
31 December 2025 (continued)

30 Funds at Liabilities

During the year the Group placed funds with Liabilities in relation to the requirements of Cell 37 amounting to AED 49,133 thousand (31 December 2024: AED 49,133) which are related with the intention of issuing reinsurance contracts in the future.

31 Social contributions

The social contribution (including donations and charity) made during the year amounted to AED 38 thousand (31 December 2024: AED 93 thousand).

32 Audit fees

The audit and non-audit fees charged during the year amounted to AED 1,031 thousand (31 December 2024: AED 207 thousand).

33 Gross written premiums

In accordance with CBU-AS/15/2025 6143 by Council of Bank of UAE on reporting requirements, the insurance companies are required to include a disclosure on the details of gross written premiums as per PFC-7 of the eForm.

	Life Insurance AED'000	Fund Accumulation AED'000	Medical Insurance AED'000	Property & Liability AED'000	All types of Business Combined AED'000
For the year ended 31 December 2025					
Gross Written Premiums	-	-	105,000	283,202	388,202
Assumed Business					
Foreign	-	-	-	-	-
Local	-	-	-	35,978	35,978
Total Assumed Business	-	-	-	35,978	35,978
Total Gross Written Premium ^a	-	-	105,000	319,180	424,180

	Life Insurance AED'000	Fund Accumulation AED'000	Medical Insurance AED'000	Property & Liability AED'000	All types of Business Combined AED'000
For the year ended 31 December 2024					
Gross Written Premiums	-	-	52,901	447,278	500,179
Assumed Business					
Foreign	-	-	-	-	-
Local	-	-	-	24,934	24,934
Total Assumed Business	-	-	-	24,934	24,934
Total Gross Written Premium ^a	-	-	52,901	472,212	525,113

^a Gross Written premiums is a measure of the total premium that an insurer bills its customers.

Al Wathba National Insurance Company PJSC

Notes to the consolidated financial statements for the year ended
31 December 2025 (continued)

34 General

The consolidated financial statements of the Group were approved for issuance by the Board of Directors on 13 March 2026.

35 Subsequent events

Subsequent to the reporting date, the Group completed the sale of immovables located in Dubai, which had been classified as an asset held for sale in accordance with IFRS 5. The transaction does not have a material impact on the consolidated financial position or results of the Group as at 31 December 2025.

Subsequent to the reporting date, geopolitical tensions in the Middle East have increased. Based on the nature of the Company's insurance coverage, we understand it is generally excluded under the policies issued by the Company. Accordingly, management does not expect the current conflict to have a material impact on the Company's financial position or results of operations.

Except for the matters described above, there have been no other events subsequent to the reporting date that would significantly affect the amounts or disclosures reported in these consolidated financial statements.



الوثبة للتأمين
AL WATHBA INSURANCE

Al Wathba Insurance Building, Najda Street
P.O. Box. 45154, Abu Dhabi, UAE

Unit 1205, Opal Tower, Business Bay
P.O. Box. 5807, Dubai, UAE

600 544 040
www.alwathba.com