

Watania International Holding (PJSC)

Condensed interim consolidated financial information
(Unaudited)

For the nine-month period ended 30 September 2024

Independent Auditor's Review Report on Condensed Interim Consolidated Financial Information To the Shareholders of Watania International Holding (PJSC)

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Watania International Holding (PJSC) (the "Group") as at 30 September 2024 and condensed interim consolidated statement of comprehensive income for the three-month and nine-month periods then ended, condensed interim consolidated statement of changes in equity, condensed interim consolidated statement of cash flows for the nine-month periods then ended and material accounting policy information and other related explanatory notes. Management is responsible for the preparation and presentation of this condensed interim consolidated financial information in accordance with International Accounting Standard 34 "*Interim Financial Reporting*". Our responsibility is to express a conclusion on this condensed interim consolidated financial information based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "*Interim Financial Reporting*".

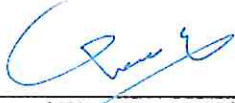
**GRANT THORNTON UAE****Dr. Osama El-Bakry
Registration No. 935
Dubai, United Arab Emirates****12 November 2024**


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

Condensed interim consolidated statement of financial position
As at 30 September 2024

		(Unaudited)	(Audited)
	Notes	30 September 2024 AED'000	31 December 2023 AED'000
ASSETS			
Property and equipment		15,237	15,131
Investment properties	4	67,807	67,807
Intangible assets		78,552	83,065
Investments at amortised cost	5	26,353	33,737
Investments at fair value through other comprehensive income (FVTOCI)	5	1,000	6,197
Investments at fair value through profit or loss (FVTPL)	5	446,439	427,521
Takaful contract assets	6	35	-
Retakaful contract assets	6	388,028	103,519
Trade and other receivables	7	57,013	64,215
Cash and cash equivalents	8	365,398	409,949
TOTAL ASSETS		1,445,862	1,211,141
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	260,156	260,156
Statutory reserve	10	9,828	9,828
Restricted reserve	10	5,383	5,383
Cumulative change in fair value of securities		-	199
Accumulated losses		(38,172)	(45,972)
Treasury shares	10	(6,102)	-
Reserve for treasury shares	10	1,831	-
Total equity		232,924	229,594
Liabilities			
Employees' end of service benefits		21,200	19,893
Takaful contract liabilities	6	945,821	722,413
Retakaful contract liabilities	6	111,181	53,170
Trade and other payables	11	74,133	99,515
Current tax liability	15	478	-
Deferred tax liability		4,425	4,249
Lease liability		6,825	7,557
Borrowings	12	48,875	74,750
Total liabilities		1,212,938	981,547
TOTAL EQUITY AND LIABILITIES		1,445,862	1,211,141

The condensed interim consolidated financial information was authorised for issue in accordance with a resolution of the Directors on 12 November 2024.


Dr. Ali Saeed Bin Harmal Aldhaheri
Chairman


Mr. Gautam Datta
Chief Executive Officer

The notes from 1 to 20 form an integral part of this condensed interim consolidated financial information.

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

Condensed interim consolidated statement of comprehensive income
For the period ended 30 September 2024

	Notes	(Unaudited) Three-month period ended 30 September 2024 AED'000	(Unaudited) Three-month period ended 30 September 2023 AED'000	(Unaudited) Nine-month period ended 30 September 2024 AED'000	(Unaudited) Nine-month period ended 30 September 2023 AED'000
Income					
Takaful revenue	13	220,706	213,316	610,107	670,602
Takaful expenses	14	(230,153)	(223,922)	(611,119)	(692,946)
Investment income		10,991	7,680	23,261	29,985
Net operating income/(loss)		1,544	(2,926)	22,249	7,641
Expenses					
General and administrative Expenses		(4,824)	(5,772)	(17,291)	(24,669)
Amortisation of intangibles		(1,575)	(1,313)	(4,463)	(4,463)
Finance cost		(1,034)	(1,253)	(3,457)	(4,354)
Other income		6,864	8,546	12,615	19,265
Profit/(loss) for the period before tax		975	(2,718)	9,653	(6,580)
Income tax credit/(expense)	15	86	-	(654)	-
Profit/(loss) for the period after tax		1,061	(2,718)	8,999	(6,580)
Other comprehensive loss					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Unrealised loss on investments at FVTOCI		-	-	(199)	(435)
		-	-	(199)	(435)
Total comprehensive income/(loss) for the period		1,061	(2,718)	8,800	(7,015)
Earnings/(loss) per share (AED)					
Basic and diluted	16	0.004	(0.010)	0.035	(0.025)

The notes from 1 to 20 form an integral part of this condensed interim consolidated financial information.

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

Condensed interim consolidated statement of changes in equity
For the period ended 30 September 2024

	Share capital AED'000	Treasury shares AED'000	Statutory reserve AED'000	Restricted reserve AED'000	Cumulative change in fair value of securities AED'000	Accumulated losses AED'000	Reserve for Treasury shares AED'000	Total AED'000
Restated balance at 1 January 2023 (Audited)	260,156	-	8,500	3,636	435	(51,685)	-	221,042
Loss for the period	-	-	-	-	-	(6,580)	-	(6,580)
Other comprehensive loss for the period	-	-	-	-	(435)	-	-	(435)
Total comprehensive loss for the period	-	-	-	-	(435)	(6,580)	-	(7,015)
As at 30 September 2023 (Unaudited)	260,156	-	8,500	3,636	-	(58,265)	-	214,027
As at 1 January 2024 (Audited)	260,156	-	9,828	5,383	199	(45,972)	-	229,594
BOD remuneration fees	-	-	-	-	-	(1,199)	-	(1,199)
Purchase of treasury shares (note 10)	-	(6,102)	-	-	-	-	1,831	4,271
Profit for the period	-	-	-	-	-	8,999	-	8,999
Other comprehensive loss for the period	-	-	-	-	(199)	-	-	(199)
Total comprehensive (loss)/income for the period	-	-	-	-	(199)	8,999	-	8,800
As at 30 September 2024 (Unaudited)	260,156	(6,102)	9,828	5,383	-	(38,172)	1,831	232,924

The notes from 1 to 20 form an integral part of this condensed interim consolidated financial information.

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

Condensed interim consolidated statement of cash flows
For the period ended 30 September 2024

	(Unaudited) Nine-month period ended 30 September 2024 AED'000	(Unaudited) Nine-month period ended 30 September 2023 AED'000
Cash flows from operating activities		
Profit/(loss) before tax for the period	9,653	(6,580)
Adjustments for:		
Depreciation of property and equipment	2,146	5,571
Amortisation of intangibles	6,369	4,909
Write-off of fixed assets	(39)	1,243
Unrealised gain on financial assets at FVTPL	(3,657)	(36,914)
Realised gain on financial assets at FVTPL	(1,125)	(9,005)
Income from dividends	(1,572)	(4,250)
Income from deposits	(12,222)	(9,733)
Income from held to maturity investments	(2,066)	(1,307)
Finance cost	3,457	4,354
Finance cost on lease liability	164	-
Investment impairment (FVTOCI)	-	945
Rental income	(3,088)	(1,647)
(Release)/provision for expected credit losses	(592)	2,031
Held to maturity amortisation of premiums	(218)	(67)
Provision for employees' end of service benefits	2,383	2,091
Operating cash flows before changes in working capital	(407)	(48,359)
Change in trade and other receivables	16,117	(20,781)
Change in retakaful contract assets and liabilities – net	(226,533)	36,236
Change in takaful contract liabilities	197,305	17,451
Change in trade and other payables	(25,382)	979
Cash generated used in operations	(38,900)	(14,474)
Employee's end of service benefits paid	(1,076)	(1,321)
Net cash used in operating activities	(39,976)	(15,795)
Cash flows from investing activities		
Additions in property and equipment	(2,572)	(6,918)
Additions in intangible assets	(1,855)	-
Write-off of leases and fixed assets	359	-
Proceeds from sale of investments carried at FVTPL	94,054	172,899
Additions of equity investments carried at FVTPL	(82,087)	(152,258)
Proceeds from sale of investments carried at FVTOCI	4,998	42,722
Income received on deposits	6,149	1,159
Income received from Sukuks	1,315	-
Proceeds from redemption of investment held at amortised cost	7,601	13,619
Rental income received	1,589	1,647
Dividend received	1,572	4,250
Finance costs paid	(3,457)	(4,354)
Proceeds from sale/(purchase) of investments in wakala deposits – net	112,374	(47,399)
Net cash generated from investing activities	140,040	25,367

The notes from 1 to 20 form an integral part of this condensed interim consolidated financial information.

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

Condensed interim consolidated statement of cash flows (continued)
For the period ended 30 September 2024

	(Unaudited) Nine-month period ended 30 September 2024 AED'000	(Unaudited) Nine-month period ended 30 September 2023 AED'000
Cash flows from financing activities		
Director's remuneration	(1,199)	-
Issuance of treasury shares (note 10)	(4,271)	-
Repayment of borrowings	(25,875)	(20,700)
(Net payment of)/net increase in payment in lease liabilities	(896)	110
Net cash used in financing activities	(32,241)	(20,590)
Net change in cash and cash equivalents	67,823	(11,018)
Cash and cash equivalents, beginning of period	78,350	103,055
Cash and cash equivalents, end of period (note 8)	146,173	92,037

The notes from 1 to 20 form an integral part of this condensed interim consolidated financial information.

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

Notes to the condensed interim consolidated financial information
For the period ended 30 September 2024

1 Legal status and activities

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

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

The condensed interim financial information has been prepared in accordance with the requirements of the applicable laws and regulations, including UAE Federal Decree Law No. (32) of 2021.

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

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

Name of subsidiary	Proportion of ownership interest		Principal activities
	30 September 2024	31 December 2023	
Watania Takaful Family (PJSC)	100%	100%	Family takaful and retakaful activities
Watania Takaful General (PJSC)	100%	100%	General takaful and retakaful activities

2 Basis of preparation

The condensed interim consolidated financial information is for the nine-month period ended 30 September 2024 and are presented in United Arab Emirate Dirham (AED), which is also the functional currency of the Group. This condensed interim consolidated financial information is prepared in accordance with IAS 34 ‘Interim Financial Reporting’ and do not include all the information required in annual financial statements in accordance with IFRS and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2023. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

The Group’s condensed interim consolidated statement of financial position is not presented using a current/non-current classification. However, the following balances would generally be classified as current: Cash and cash equivalents). The following balances would generally be classified as non-current: investment property, property and equipment, intangible assets, investments at amortised cost, investments at FVTPL, investments at FVTOCI, employees’ end of service benefits and statutory deposit. The following balances are of mixed nature (including both current and non-current portions, trade and other receivables, takaful contract assets, retakaful contract assets, takaful contract liabilities, retakaful contract liabilities, trade and other payables, lease liability, borrowings and bank balances).

The Group presents its condensed interim consolidated statement of financial position broadly in order of liquidity, with a distinction based on expectations regarding recovery or settlement within twelve months after the reporting date (current) and more than twelve months after the reporting date (non-current).

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

Notes to the condensed interim consolidated financial information
For the period ended 30 September 2024

2 Basis of preparation (continued)

Basis of consolidation

The condensed interim consolidated financial information comprises the financial information of the Group and its subsidiaries as at 30 September 2024.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

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

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

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

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

3 Material accounting policy information

The accounting policies used in the preparation of this condensed interim consolidated financial information are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2023, except for application of new standards effective as of January 2024 and several amendments and interpretations apply for the first time in 2024.

Standards, interpretations and amendments to existing standards

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

Standard number	Title	Effective date
IAS 1	Amendment to IAS 1 – Non-current liabilities with covenants and classification of liabilities as current or non-current	1 January 2024
IAS 7	Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements	1 January 2024
IFRS 16	Amendment to IFRS 16 – Leases on sale and leaseback	1 January 2024

These standards have been adopted by the Group and did not have a material impact on these condensed interim consolidated financial statements.

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

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

Notes to the condensed interim consolidated financial information
For the period ended 30 September 2024

3 Material accounting policy information (continued)

Critical accounting estimates and judgments in applying accounting policies

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

In preparing this condensed interim consolidated financial information, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the audited consolidated financial statements as at and for the year ended 31 December 2023.

Insurance and financial risk management

The Group's insurance and financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements as at and for the year ended 31 December 2023. There have been no changes in any risk management policies since the year end.

4 Investment properties

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

Management estimates that there has been no change in the fair value of investment properties during the nine-month period ended 30 September 2024. The carrying value of the investment properties as at 30 September 2024 is AED 67.80 million (31 December 2023: AED 67.80 million).

Investment properties are classified as Level 3 in the fair value hierarchy as at 30 September 2024 (31 December 2023: Level 3).

5 Investment in securities

Investment at amortised cost

Amortised cost investments comprises the following:

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Quoted debt securities inside U.A.E.	22,683	25,014
Quoted debt securities outside U.A.E	3,670	-
Unquoted debt securities outside U.A.E.	-	8,723
	<u>26,353</u>	<u>33,737</u>

Investments at fair value through profit or loss

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

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Investment in mutual funds	351,927	349,387
Investment in debt securities	45,030	47,384
Investment in equity securities	49,482	30,750
	<u>446,439</u>	<u>427,521</u>

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

Notes to the condensed interim consolidated financial information
For the period ended 30 September 2024

5 Investment in securities (continued)

Investments at fair value through profit or loss (continued)

	(Unaudited) 30 September 2024	(Audited) 31 December 2023
Quoted securities inside UAE	94,512	78,134
Unquoted securities inside U.A.E.	15,434	17,139
Unquoted securities outside U.A.E.	336,493	332,248
	<u>446,439</u>	<u>427,521</u>

Investments at fair value through other comprehensive income

Fair value through other comprehensive income comprise the following:

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Unquoted equity securities in U.A.E.	-	5,197
Unquoted debt securities in U.A.E.	1,000	1,000
	<u>1,000</u>	<u>6,197</u>

The movement in investment in securities is as follows:

30 September 2024 (Unaudited)	Investments at amortised cost AED'000	Investments at FVTOCI AED'000	Investments at FVTPL AED'000	Total AED'000
At 1 January 2024	33,737	6,197	427,521	467,455
Addition during the period	-	-	82,087	82,087
Disposal during the period	(5,810)	(4,998)	(94,054)	(104,862)
Maturity during the period	(1,792)	-	-	(1,792)
Amortisation of premiums	218	-	-	218
Fair value (loss)/gain	-	(199)	30,885	30,686
	<u>26,353</u>	<u>1,000</u>	<u>446,439</u>	<u>473,792</u>

31 December 2023 (Audited)

At 1 January 2023	47,353	71,624	391,782	510,759
Addition during the year	-	-	150,210	150,210
Disposal during the year	(13,598)	(139)	(245,464)	(259,201)
Changes in classification due to adoption of IFRS 9	-	(64,107)	64,107	-
Amortisation of premiums	8	-	-	8
Impairment of investments	-	(945)	-	(945)
Expected credit loss	(26)	-	-	(26)
Fair value gain for investments recorded in the consolidated statement of income (FVTPL investments- unit linked)	-	-	52,976	52,976
Fair value (loss)/gain	-	(236)	13,910	13,674
	<u>33,737</u>	<u>6,197</u>	<u>427,521</u>	<u>467,455</u>

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

Notes to the condensed interim consolidated financial information
For the period ended 30 September 2024

6 Takaful and retakaful contracts

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

Takaful contracts issued

	(Unaudited)			(Audited)		
	30 September 2024			31 December 2023		
	Assets	Liabilities	Net	Assets	Liabilities	Net
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
General takaful	35	(461,931)	(461,896)	-	(224,645)	(224,645)
Medical takaful	-	(109,963)	(109,963)	-	(149,761)	(149,761)
Family takaful	-	(373,927)	(373,927)	-	(348,007)	(348,007)
Total takaful contracts issued	35	(945,821)	(945,786)	-	(722,413)	(722,413)

Retakaful contracts held

	(Unaudited)			(Audited)		
	30 September 2024			31 December 2023		
	Assets	Liabilities	Net	Assets	Liabilities	Net
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
General takaful	245,447	(4,864)	240,583	21,530	(16,070)	5,460
Medical takaful	142,581	(4,361)	138,220	81,989	(975)	81,014
Family takaful	-	(101,956)	(101,956)	-	(36,125)	(36,125)
Total retakaful contracts held	388,028	(111,181)	276,847	103,519	(53,170)	50,349

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

Notes to the condensed interim consolidated financial information
For the period ended 30 September 2024

6 Takaful and retakaful contracts (continued)

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

Contracts measured under the PAA

	Liabilities for remaining coverage		Liabilities for incurred claims		Total AED'000
	Excluding loss component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment AED'000	
30 September 2024 (Unaudited)					
Takaful contract liabilities as at 1 January 2024	175,071	297	236,325	9,577	421,270
Takaful revenue	(603,709)	-	-	-	(603,709)
Takaful service expenses					
Incurred claims and other expenses	-	-	624,439	24,417	648,856
Net takaful acquisition costs	97,906	-	-	-	97,906
Losses on onerous contract	-	(297)	-	-	(297)
Changes to liabilities for incurred claims	-	-	20,840	(14,030)	6,810
Takaful service result	(505,803)	(297)	645,279	10,387	149,566
Takaful finance expenses	-	-	4,404	-	4,404
Total changes in statement of comprehensive income	(505,803)	(297)	649,683	10,387	153,970
Cash flows					
Contributions received	613,358	-	-	-	613,358
Claims and other expenses paid	-	-	(455,829)	-	(455,829)
Direct attributable expense	-	-	(13,177)	-	(13,177)
Takaful acquisition cash flows	(97,433)	-	-	-	(97,433)
Total cash flows	515,925	-	(469,006)	-	46,919
Takaful contract liabilities as at 30 September 2024	185,193	-	417,002	19,964	622,159
Takaful contract assets as at 30 September 2024	185,245	-	416,985	19,964	622,194
Takaful contract assets as at 30 September 2024	(52)	-	17	-	(35)
Net takaful contract liabilities as at 30 September 2024	185,193	-	417,002	19,964	622,159

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

Notes to the condensed interim consolidated financial information
For the period ended 30 September 2024

6 Takaful and retakaful contracts (continued)

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

Contracts measured under the PAA (continued)

	Liabilities for remaining coverage		Liabilities for incurred claims		Total AED'000
	Excluding loss component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment AED'000	
31 December 2023 (Audited)					
Takaful contract liabilities as at 1 January 2023	158,583	14,717	273,173	10,937	457,410
Takaful revenue	(898,893)	-	-	-	(898,893)
Takaful service expenses					
Incurred claims and other expenses	-	-	586,775	16,514	603,289
Net takaful acquisition costs	152,821	-	-	-	152,821
Losses on onerous contracts and reversals	-	(14,420)	-	-	(14,420)
Changes to liabilities for incurred claims	-	-	71,338	(17,874)	53,464
Takaful service result	(746,072)	(14,420)	658,113	(1,360)	(103,739)
Takaful finance expenses	-	-	4,525	-	4,525
Total changes in the statement of comprehensive income	(746,072)	(14,420)	662,638	(1,360)	(99,214)
<i>Cash flows</i>					
Contributions received	914,419	-	-	-	914,419
Claims and other expenses paid	-	-	(680,988)	-	(680,988)
Direct attributable expense	-	-	(18,498)	-	(18,498)
Takaful acquisition cash flows	(151,859)	-	-	-	(151,859)
Total cash flows	762,560	-	(699,486)	-	63,074
Net takaful contract liabilities as at 31 December 2023	175,071	297	236,325	9,577	421,270

Watania International Holding (PJSC)
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6 Takaful and retakaful contracts (continued)

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

Contracts not measured under the PAA

	Liability for remaining coverage		Liabilities for incurred claims	Total AED'000
	Excluding loss component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	
30 September 2024 (Unaudited)				
Takaful contract liabilities as at 1 January 2024	262,094	35,689	3,360	301,143
Takaful revenue	(6,398)	-	-	(6,398)
Takaful service expenses				
Incurred claims and other expenses	-	-	3,952	3,952
Net takaful acquisition costs	4,805	-	-	4,805
Losses on onerous contract and reversals	-	7,539	-	7,539
Changes to liabilities for incurred claims	-	-	2,746	2,746
Investment components	(43,620)	-	43,620	-
Takaful service result	(45,213)	7,539	50,318	12,644
Takaful finance expenses	26,124	(15)	12	26,121
Total changes in statement of comprehensive income	(19,089)	7,524	50,330	38,765
Cash flows				
Contribution received	44,828	-	-	44,828
Claims and other expenses paid	-	-	(46,376)	(46,376)
Takaful acquisition cash flows	(14,733)	-	-	(14,733)
Total cash flows	30,095	-	(46,376)	(16,281)
Net takaful contract liabilities as at 30 September 2024	273,100	43,213	7,314	323,627

Watania International Holding (PJSC)
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6 Takaful and retakaful contracts (continued)

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

Contracts not measured under the PAA (continued)

	Liability for remaining coverage		Liabilities for incurred claims	Total AED'000
	Excluding loss component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	
31 December 2023 (Audited)				
Takaful contract liabilities as at 1 January 2023	295,032	1,453	9,236	305,721
Takaful revenue	(55,472)	-	-	(55,472)
Takaful service expenses				
Incurred claims and other expenses	-	-	5,593	5,593
Net takaful acquisition costs	4,701	-	-	4,701
Losses on onerous contract and reversals	-	34,318	-	34,318
Changes to liabilities for incurred claims	-	-	(9,402)	(9,402)
Investments component	(77,285)	-	77,285	-
Takaful service result	(128,056)	34,318	73,476	(20,262)
Takaful finance expenses	53,935	(82)	40	53,893
Total changes in statement of comprehensive income	(74,121)	34,236	73,516	33,631
<i>Cash flows</i>				
Contribution received	56,125	-	-	56,125
Claims and other expenses paid	-	-	(77,370)	(77,370)
Direct attributable expense	-	-	(2,022)	(2,022)
Takaful acquisition cash flows	(14,942)	-	-	(14,942)
Total cash flows	41,183	-	(79,392)	(38,209)
Net takaful contract liabilities as at 31 December 2023	262,094	35,689	3,360	301,143

Watania International Holding (PJSC)
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6 Takaful and retakaful contracts (continued)

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

Analysis by measurement component – Contracts not measured under the PAA

	Estimates of present value of future cash flows AED'000	Risk adjustment for non- financial risk AED'000	CSM Contracts under modified retrospective transition approach AED'000	Total AED'000
30 September 2024 (Unaudited)				
Takaful contract liabilities as at 1 January 2024	277,660	9,320	14,163	301,143
Changes that relate to current services				
CSM recognised for services provided	-	-	(2,341)	(2,341)
Change in risk adjustment for non-financial risk for risk expired	-	3,864	-	3,864
Experience adjustments	(1,469)	2,001	-	532
Changes that relate to future services				
Contracts initially recognised in the period	(9,386)	1,356	8,127	97
Changes in estimates that adjust the CSM	(1,029)	57	972	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	12,471	(4,725)	-	7,746
Changes that relate to past services				
Adjustments to liabilities for incurred claims	4,581	(1,834)	-	2,747
Takaful service result	5,168	719	6,758	12,644
Net finance expenses from takaful contracts	26,016	-	104	26,120
Total changes in the statement of profit or loss and OCI	31,184	719	6,862	38,765
Cash flows				
Contributions received	44,828	-	-	44,828
Claims and other directly attributable expenses paid	(46,376)	-	-	(46,376)
Takaful acquisition cash flows paid	(14,733)	-	-	(14,733)
Total cash flows	(16,281)	-	-	(16,281)
Takaful contract liabilities as at 30 September 2024	292,563	10,039	21,025	323,627

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6 Takaful and retakaful contracts (continued)

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

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

	Estimates of present value of future cash flows AED'000	Risk adjustment for non-financial risk AED'000	CSM Contracts under modified retrospective transition approach AED'000	Total AED'000
31 December 2023 (Audited)				
Takaful contract liabilities as at 1 January 2023	144,865	48,127	112,729	305,721
Changes that relate to current services				
CSM recognised for services provided	-	-	(2,473)	(2,473)
Change in risk adjustment for non- financial risk for risk expired	-	(40,604)	-	(40,604)
Experience adjustments	(5,686)	3,487	-	(2,199)
Changes that relate to future services				
Contracts initially recognised in the year	(9,531)	564	8,990	23
Changes in estimates that adjust the CSM	103,559	1,613	(105,172)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	34,528	(134)	-	34,394
Changes that relate to past services				
Adjustments to liabilities for incurred claims	(5,668)	(3,734)	-	(9,402)
Takaful service result	117,202	(38,808)	(98,655)	(20,261)
Net finance expenses from takaful contracts	53,803	-	90	53,893
Total changes in the statement of profit or loss and OCI	171,005	(38,808)	(98,565)	33,632
Cash flows				
Contributions received	56,121	-	-	56,121
Claims and other directly attributable expenses paid	(79,390)	-	-	(79,390)
Takaful acquisition cash flows paid	(14,941)	-	-	(14,941)
Total cash flows	(38,210)	-	-	(38,210)
Takaful contract liabilities as at 31 December 2023	277,660	9,319	14,164	301,143

Watania International Holding (PJSC)
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6 Takaful and retakaful contracts (continued)

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

	Assets for remaining coverage			Amounts recoverable on incurred claims			Total AED'000
	Excluding loss recovery component AED'000	Loss component AED'000	Estimates of the present value of future cash flows AED'000	Risk adjustment AED'000			
30 September 2024 (Unaudited)							
Retakaful contract assets as at 1 January 2024	(194,941)	-	296,385	2,075			103,519
Retakaful contract liabilities as at 1 January 2024	(200,253)	-	157,431	4,337			(38,485)
Net retakaful contract (liabilities)/assets	(395,194)	-	453,816	6,412			65,034
Allocation of retakaful contributions	(251,391)	-	-	-			(251,391)
Amounts recoverable from reinsurers for incurred claims	-	-	248,641	8,235			256,876
Amounts recoverable for incurred claims and other expenses	-	-	-	-			-
Changes in fulfilment cash flows that do not adjust underlying CSM	-	-	(3,231)	-			(3,231)
Expenses directly attributable to retakaful	-	-	144,072	2,383			146,455
Changes to amounts recoverable for incurred claims and other expenses	-	-	389,482	10,618			148,709
Net income or expense from retakaful contracts held	(251,391)	-	7,823	-	-	-	7,823
Retakaful finance income	-	-	397,305	10,618			156,532
Total changes in the statement of comprehensive income	(251,391)	-	397,305	10,618	-	-	156,532
Cash flows							
Retakaful contribution and expenses paid	96,883	-	-	-			96,883
Directly attributable expenses paid	-	-	3,234	-			3,234
Amounts received	-	-	(44,178)	-			(44,178)
Total cash flows	96,883	-	(40,944)	-	-	-	55,939
Net retakaful contract (liabilities)/assets as at 30 September 2024	(367,231)	-	741,240	14,019	-	-	388,028
Retakaful contract assets as at 30 September 2024	(182,471)	-	68,937	3,011			(110,523)
Retakaful contract liabilities as at 30 September 2024	(549,702)	-	810,177	17,030			277,505

Watania International Holding (PJSC)
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6 Takaful and retakaful contracts (continued)

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

	Assets for remaining coverage		Estimates of the present value of future cash flows		Amounts recoverable on incurred claims		Total AED'000
	Excluding loss recovery component AED'000	Loss component AED'000	cash flows AED'000	Risk adjustment AED'000			
31 December 2023 (Audited)							
Retakaful contract assets as at 1 January 2023	(105,650)	4,895	235,173	2,807			137,225
Retakaful contract liabilities as at 1 January 2023	(122,954)	45	93,686	4,350			(24,873)
Net retakaful contract (liabilities)/ assets	(228,604)	4,940	328,859	7,157			112,352
Allocation of retakaful contributions	(329,618)	-	-	-			(329,618)
Amounts recoverable from reinsurers for incurred claims	-	-	187,576	2,161			189,737
Changes in fulfillment for incurred claims and other expenses	-	(4,985)	-	-			(4,985)
Expenses directly attributable to retakaful	-	-	(3,613)	-			(3,613)
Changes to amounts recoverable for incurred claims	-	45	32,722	(2,906)			29,861
Net income or expense from retakaful contracts held	(329,618)	(4,940)	216,685	(745)			(118,618)
Retakaful finance income	-	-	5,089	-			5,089
Total changes in the statement of comprehensive income	(329,618)	(4,940)	221,774	(745)			(113,529)
<i>Cash flows</i>							
Retakaful contribution and expenses paid	163,028	-	-	-			163,028
Directly attributable expenses paid	-	-	3,594	-			3,594
Amounts received	-	-	(100,411)	-			(100,411)
Total cash flows	163,028	-	(96,817)	-			66,211
Net retakaful contract assets/(liabilities) as at 31 December 2023	(194,941)	-	296,385	2,075			103,519
Retakaful contract assets as at 31 December 2023	(200,253)	-	157,431	4,337			(38,485)
Retakaful contract liabilities as at 31 December 2023	(395,194)	-	453,816	6,412			65,034

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6 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for retakaful contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)
 Contracts not measured under the PAA

30 September 2024 (Unaudited)

Retakaful contract assets/(liabilities) as at 1 January 2024

	Assets for remaining coverage	Loss component AED'000	Amounts recoverable on incurred claims	Estimates of the present value of future cash flows AED'000	Total AED'000
Allocation of retakaful contributions			481	-	481
Amounts recoverable from reinsurers for incurred claims			-	947	947
Amounts recoverable for incurred claims and other expenses		8,591	-	-	8,591
Changes in fulfilment cash flows that do not adjust underlying CSM		-	-	(542)	(542)
Expenses directly attributable to retakaful		-	-	(113)	(113)
Changes that relate to past services		-	-	-	-
Net income or expense from retakaful contracts held	481	8,591	-	292	9,364
Retakaful finance income	(279)	-	-	3	(276)
Total changes in the statement of comprehensive income	202	8,591	-	295	9,088
<i>Cash flows</i>					
Contributions paid	4,397	-	-	-	4,397
Directly attributable expenses paid	-	-	-	542	542
Total cash flows	4,397	-	-	542	4,939
Net retakaful contract assets/(liabilities) as at 30 September 2024	(11,189)	8,783	-	1,748	(658)

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6 Takaful and retakaful contracts (continued)

Roll-forward of net asset or liability for retakaful contracts held showing the assets for remaining coverage and the amounts recoverable on incurred claims (continued)
 Contracts not measured under the PAA (continued)

31 December 2023 (Audited)	Assets for remaining coverage	Loss component AED'000	Amounts recoverable on incurred claims	Total AED'000
	Excluding loss recovery component AED'000	Estimates of the present value of future cash flows AED'000	Estimates of the present value of future cash flows AED'000	
Net retakaful contract assets/(liabilities) as at 1 January 2023	(13,457)	738	2,513	(10,206)
An allocation of retakaful contributions	(1,211)	-	-	(1,211)
Amounts recoverable from reinsurers for incurred claims	-	-	(65)	(65)
Amounts recoverable for incurred claims and other expenses	-	(546)	-	(546)
Changes in fulfilment cash flows that do not adjust underlying CSM	-	-	(635)	(635)
Expenses directly attributable to retakaful	-	-	(1,542)	(1,542)
Changes that relate to past service	-	-	-	-
Net income or expense from retakaful contracts held	(1,211)	(546)	(2,242)	(3,999)
Retakaful finance income	(1,439)	-	10	(1,429)
Total changes in the statement of comprehensive income	(2,650)	(546)	(2,232)	(5,428)
<i>Cash flows</i>				
Contributions paid	319	-	-	319
Directly attributable expenses paid	-	-	635	635
Amounts received	-	-	(5)	(5)
Total cash flows	319	-	630	949
Net retakaful contract assets/(liabilities) as at 31 December 2023	(15,788)	192	911	(14,685)

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6 Takaful and retakaful contracts (continued)

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

Analysis by measurement component – Contracts not measured under the PAA

	Estimates of present value of future cash flows AED'000	Risk adjustment for non-financial risk AED'000	CSM Contracts under modified retrospective transition approach AED'000	Total AED'000
30 September 2024 (Unaudited)				
Net retakaful contract (liabilities)/assets as at 1 January 2024	(9,002)	3,425	(9,108)	(14,685)
Changes that relate to current services				
CSM retakaful for services provided	-	-	1,252	1,252
Change in risk adjustment for non- financial risk for risk expired	-	1,045	-	1,045
Experience adjustments	(1,452)	40	-	(1,412)
Changes that relate to future services				
Contracts initially recognised in the year	(305)	65	240	-
Changes in estimates that adjust the CSM	2,202	(93)	(2,109)	-
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts	-	-	8,591	8,591
Changes that relate to past service	(157)	44	-	(113)
Net expenses from retakaful contracts	288	1,101	7,974	9,363
Net finance income from retakaful contracts	(175)	-	(100)	(275)
Total changes in the statement of comprehensive income	113	1,101	7,874	9,088
Cash flows				
Contributions received	4,397	-	-	4,397
Claims and other directly attributable expenses paid	542	-	-	542
Total cash flows	4,939	-	-	4,939
Net retakaful contract (liabilities)/assets as at 30 September 2024	(3,950)	4,526	(1,234)	(658)

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6 Takaful and retakaful contracts (continued)

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

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

	Estimates of present value of future cash flows AED'000	Risk adjustment for non-financial risk AED'000	CSM Contracts under modified retrospective transition approach AED'000	Total AED'000
31 December 2023 (Audited)				
Net retakaful contract (liabilities)/assets as at 1 January 2023	(11,436)	3,099	(1,867)	(10,204)
Changes that relate to current services				
CSM retakaful for services provided	-	-	1,449	1,449
Change in risk adjustment for non- financial risk for risk expired	-	(1,380)	-	(1,380)
Experience adjustments	(1,909)	(71)	-	(1,980)
Changes that relate to future services				
Contracts initially recognised in the year	(362)	191	171	-
Changes in estimates that adjust the CSM	6,614	1,678	(8,292)	-
Changes in estimates that relate to losses and reversals of losses on onerous underlying contracts	-	-	(546)	(546)
Changes that relate to past service	(1,450)	(92)	-	(1,542)
Net expenses from retakaful contracts	2,893	326	(7,218)	(3,999)
Net finance income from retakaful contracts	(1,406)	-	(23)	(1,429)
Total changes in the statement of comprehensive income	1,487	326	(7,241)	(5,428)
<i>Cash flows</i>				
Contributions received	318	-	-	318
Claims and other directly attributable expenses paid	635	-	-	635
Recoveries from retakaful	(6)	-	-	(6)
Total cash flows	947	-	-	947
Net retakaful contract (liabilities)/assets as at 31 December 2023	(9,002)	3,425	(9,108)	(14,685)

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6 Takaful and retakaful contracts (continued)

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

30 September 2024 (Unaudited)	PAA AED'000	Non-PAA AED'000	Total AED'000
Takaful contract liabilities	622,194	323,627	945,821
Takaful contract (assets)	(35)	-	(35)
Retakaful contract (assets)	(388,028)	-	(388,028)
Retakaful contract liabilities	110,523	658	111,181
	344,654	324,285	668,939

31 December 2023 (Audited)	PAA AED'000	Non-PAA AED'000	Total AED'000
Takaful contract liabilities	421,270	301,143	722,413
Retakaful contract (assets)	(103,519)	-	(103,519)
Retakaful contract liabilities	38,485	14,685	53,170
	356,236	315,828	672,064

7 Trade and other receivables

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Trade receivables	40,066	45,230
Other receivables	43,296	45,926
	83,362	91,156
Less: Expected credit losses	(26,349)	(26,941)
	57,013	64,215

8 Cash and cash equivalents

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000	(Unaudited) 30 September 2023 AED'000
Cash and bank balances	93,048	68,850	92,037
Wakala deposits	272,350	341,099	316,165
	365,398	409,949	408,202
Less: Restricted deposit	(16,000)	(16,000)	(16,000)
Less: Deposits under lien	(24,451)	(24,451)	(35,777)
Less: Deposits with original maturities of more than three months	(178,774)	(291,148)	(264,388)
Cash and cash equivalents for the purpose of cash flows	146,173	78,350	92,037

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9 Share capital

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Issued and fully paid: 260,156,250 ordinary shares of AED 1 each (31 December 2023: 260,156,250 ordinary shares)	260,156	260,156

10 Reserves

Statutory reserve

In accordance with the Commercial Companies Law No. 32 of 2021, Article No. 241 and the Company's Articles of Association, 10% of profit for the year is required to be transferred to statutory reserve. The Company may resolve to discontinue such annual transfers when the statutory reserve is equal to 50% of the paid-up share capital. The reserve is not available for distribution except in the circumstances stipulated by the law. No transfer to the statutory reserve has been made during the nine-month period ended 30 September 2024 (nine-month period ended 30 September 2023: Nil), as this will be based on the audited results for the year end.

Restricted reserve

This reserve pertains to the subsidiaries which are takaful entities, and in accordance with article 34 of Central Bank of UAE' Board of Directors Decision No. 23 of 2019, concerning instructions organising retakaful operations, the reserve is not available for distribution and will not be disposed of without prior approval from Central Bank of UAE. No transfer to the restricted reserve has been made during the nine-month period ended 30 September 2024 (Nine-month period ended 30 September 2023: Nil), as this will be based on the annual results.

Treasury shares

In August 2024, the Group engaged a third-party licensed Market Maker on the Dubai Financial Market that offers liquidity provision services, to place buy and sell orders of the Company's shares with the objective of reducing bid/ask spreads as well as reducing price and volume volatility. At 30 September 2024, the Market Maker held 6,101,879 of Watania International Holding PJSC's shares on behalf of the company, which are classified under equity as treasury shares at par value of AED 1 at 30 September 2024. During the period, the company recorded Treasury Shares reserves of AED 1.8 million to reflect the discount on the acquisition of treasury shares.

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

11 Trade and other payables

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Trade payables	24,174	33,641
Other payables	49,959	65,874
	74,133	99,515

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12 Borrowings

The Group got engaged in Murabaha facility of AED 215 million with bank on 27 February 2020 held at amortised cost. The facility was obtained for the purpose of acquiring Watania Takaful General PJSC “WTG” and Watania Takaful Family PJSC “WTF”. The facility includes two tranches as given below:

Tranche A consists of AED 100 million carrying flexible profit rate of 3 months EIBOR plus 2.25% having a maturity period of 12 months from the date of acquisition of WTF and WTG. Full amount of Tranche A was repaid during the year ended 31 December 2021.

Tranche B consist of AED 115 million carrying flexible profit rate of 3 months EIBOR plus 2.05% having a maturity period of 5 years ending 30 June 2025.

	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000
Opening balance as at 1 January	74,750	95,450
Repayments made during the period	(25,875)	(20,700)
Closing balance	<u>48,875</u>	<u>74,750</u>

13 Takaful income

Three-month ended 30 September 2024 (Unaudited)

	General and motor AED'000	Medical AED'000	Group life AED'000	Individual life AED'000	Total AED'000
Contracts not measured under the PAA	-	-	-	6,316	6,316
Contracts measured under the PAA	83,017	99,243	32,130	-	214,390
	<u>83,017</u>	<u>99,243</u>	<u>32,130</u>	<u>6,316</u>	<u>220,706</u>

Three-month ended 30 September 2023 (Unaudited)

Contracts not measured under the PAA	-	-	-	2,396	2,396
Contracts measured under the PAA	78,667	84,912	47,341	-	210,920
	<u>78,667</u>	<u>84,912</u>	<u>47,341</u>	<u>2,396</u>	<u>213,316</u>

Nine-month ended 30 September 2024 (Unaudited)

Contracts not measured under the PAA	-	-	-	6,398	6,398
Contracts measured under the PAA	242,187	272,048	89,474	-	603,709
	<u>242,187</u>	<u>272,048</u>	<u>89,474</u>	<u>6,398</u>	<u>610,107</u>

Nine-month ended 30 September 2023 (Unaudited)

Contracts not measured under the PAA	-	-	-	14,911	14,911
Contracts measured under the PAA	244,106	312,863	98,722	-	655,691
	<u>244,106</u>	<u>312,863</u>	<u>98,722</u>	<u>14,911</u>	<u>670,602</u>

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14 Takaful expenses

	(Unaudited) Three-month period ended 30 September 2024 AED'000	(Unaudited) Three-month period ended 30 September 2023 AED'000	(Unaudited) Nine-month period ended 30 September 2024 AED'000	(Unaudited) Nine-month period ended 30 September 2023 AED'000
Takaful service expense	215,541	210,531	772,317	630,898
Allocation of retakaful premiums	92,250	78,490	250,910	250,791
Amounts recoverable from retakaful for incurred claims	(82,699)	(64,608)	(408,983)	(189,402)
Takaful finance (income)/expenses for takaful contracts issued	15,237	(2,707)	30,525	36,524
Retakaful finance income for retakaful contracts held	(2,913)	(567)	(7,547)	(4,546)
Net (gain)/loss on investments at FVTPL (<i>unit-linked</i>)	(7,263)	2,783	(26,103)	(31,319)
	<u>230,153</u>	<u>223,922</u>	<u>611,119</u>	<u>692,946</u>

15 Income tax expense

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance (“MoF”) released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax (“CT”) to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023. As the Group’s accounting period ends on 31 December, the first tax period will be the period from 1 January 2024 to 31 December 2024, with the respective tax return to be filed on or before 30 September 2025.

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

	(Unaudited) Three-month period ended 30 September 2024 AED'000	(Unaudited) Three-month period ended 30 September 2023 AED'000	(Unaudited) Nine-month period ended 30 September 2024 AED'000	(Unaudited) Nine-month period ended 30 September 2023 AED'000
Condensed interim consolidated statement of comprehensive income				
Current tax	(442)	-	478	-
Deferred tax	356	-	176	-
Tax (credit)/expense	<u>(86)</u>	<u>-</u>	<u>654</u>	<u>-</u>

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16 Earnings / (loss) per share

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

	(Unaudited) Three-month period ended 30 September 2024	(Unaudited) Three-month period ended 30 September 2023	(Unaudited) Nine-month period ended 30 September 2024	(Unaudited) Nine-month period ended 30 September 2023
Profit/(loss) after tax for the period attributable to shareholders (in AED'000)	1,061	(2,718)	8,999	(6,580)
Number of shares	260,156,250	260,156,250	260,156,250	260,156,250
Basic and diluted earnings/(loss) per share (in AED)	0.004	(0.010)	0.035	(0.025)

Diluted earnings/ (loss) per share as of 30 September 2024 and 30 September 2023 are equivalent to basic earnings/(loss) per share.

17 Related party transactions

Related parties comprise companies and entities under common ownership and/or common management and control, their partners and key management personnel. The management decides on the terms and conditions of the transactions with related parties.

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

Transactions with related parties

There are no transactions or balances with related party during the nine-month period ended 30 September 2024 (nine-month period ended 30 September 2023: Nil).

Compensation of key management personnel

	(Unaudited) Three-month period ended 30 September 2024 AED'000	(Unaudited) Three-month period ended 30 September 2023 AED'000	(Unaudited) Nine-month period ended 30 September 2024 AED'000	(Unaudited) Nine-month period ended 30 September 2023 AED'000
Short-term benefits	1,758	1,212	5,395	3,637
Employees' end of service benefits	212	181	639	544
	1,970	1,393	6,034	4,181

18 Commitments and guarantees

Commitments

The Group has capital commitments amounting to AED 0.75 million as at 30 September 2024 (31 December 2023: AED 0.03 million).

Guarantees

As at 30 September 2024, the Group has outstanding bank guarantees amounting AED 267,000 (31 December 2023: AED 267,000).

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19 Segment information

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

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

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

Three-month period ended 30 September 2024 (Unaudited)

	Takaful		Investments		Total AED'000
	General takaful AED'000	Group family (employee benefits) AED'000	Family Takaful AED'000	AED'000	
Takaful income	182,260	32,130	6,316	-	220,706
Takaful expenses	(134,059)	(89,998)	(6,096)	-	(230,153)
Investment income	9,070	-	-	1,921	10,991
Net operating income/(losses)	57,271	(57,868)	220	1,921	1,544
General and administrative expenses	-	-	-	(4,824)	(4,824)
Amortisation of intangibles	-	-	-	(1,575)	(1,575)
Finance cost	-	-	-	(1,034)	(1,034)
Other income	-	-	-	6,864	6,864
Profit/(loss) for the period before tax	57,271	(57,868)	220	1,352	975
Income tax expense	-	-	-	-	86
Profit/(loss) for the period after tax	57,271	(57,868)	220	1,352	1,061

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19 Segment information (continued)

Three-month period ended 30 September 2023 (Unaudited)

	Takaful		Investments		Total AED'000
	General takaful AED'000	Group family (employee benefits) AED'000	Family Takaful AED'000	AED'000	
Takaful income	163,579	47,341	2,396	-	213,316
Takaful expenses	(145,395)	(80,582)	2,055	-	(223,922)
Investment income	5,362	-	152	2,166	7,680
Net operating income/(losses)	23,546	(33,241)	4,603	2,166	(2,926)
General and administrative expenses	-	-	-	(5,772)	(5,772)
Amortisation of intangibles	-	-	-	(1,313)	(1,313)
Finance cost	-	-	-	(1,253)	(1,253)
Other income	-	-	40	8,506	8,546
Profit/ (loss) for the period after tax	23,546	(33,241)	4,643	2,334	(2,718)

Nine-month period ended 30 September 2024 (Unaudited)

Takaful income	514,235	89,474	6,398	-	610,107
Takaful expenses	(451,371)	(149,776)	(9,972)	-	(611,119)
Investment income	17,594	-	-	5,667	23,261
Net operating income/(losses)	80,458	(60,302)	(3,574)	5,667	22,249
General and administrative expenses	-	-	-	(17,291)	(17,291)
Amortisation of intangibles	-	-	-	(4,463)	(4,463)
Finance cost	-	-	-	(3,457)	(3,457)
Other income	-	-	-	12,615	12,615
Profit/ (loss) for the period before tax	80,458	(60,302)	(3,574)	(6,929)	9,653
Income tax expense	-	-	-	-	(654)
Profit/(loss) for the period after tax	80,458	(60,302)	(3,574)	(6,929)	8,999

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19 Segment information (continued)

Nine-month period ended 30 September 2023 (Unaudited)

	Takaful			Investments	Total AED'000
	General takaful AED'000	Group family (employee benefits) AED'000	Family Takaful AED'000	AED'000	
Takaful income	556,969	98,722	14,911	-	670,602
Takaful expenses	(561,564)	(130,006)	(1,376)	-	(692,946)
Investment income	15,632	618	1,026	12,709	29,985
Net operating (Losses)/income	11,037	(30,666)	14,561	12,709	7,641
General and administrative expenses	-	-	-	(24,669)	(24,669)
Amortisation of intangibles	-	-	-	(4,463)	(4,463)
Finance cost	-	-	-	(4,354)	(4,354)
Other (expenses) /income	-	-	-	19,265	19,265
(Loss)/profit for the period after tax	11,037	(30,666)	14,561	(1,512)	(6,580)

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

	Takaful AED'000	Investment AED'000	Total AED'000
30 September 2024 (Unaudited)			
Total assets	1,256,190	189,672	1,445,862
Total liabilities	1,131,135	81,803	1,212,938
31 December 2023 (Audited)			
Total assets	1,025,266	185,875	1,211,141
Total liabilities	875,098	106,449	981,547

20 Fair value measurements

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

- Level 1 – quoted prices (unadjusted) in active markets for identical assets;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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20 Fair value measurements (continued)

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

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input	Relationship of unobservable inputs to fair value
	(Unaudited) 30 September 2024 AED'000	(Audited) 31 December 2023 AED'000				
Investments at FVTOCI						
Unquoted equity securities	-	5,197	Level 3	Net assets valuation method	Net assets value	Higher the net assets value of the investees, higher the fair value.
Unquoted debt securities	1,000	1,000	Level 3	Net assets valuation method	Net assets value	Higher the net assets value of the investees, higher the fair value.
	<u>1,000</u>	<u>6,197</u>				
Investments at FVTPL						
Quoted equity securities	94,512	78,134	Level 1	Quoted bid prices in an active market	N/A	N/A
Mutual funds	351,927	349,387	Level 3	Net assets valuation method	Net assets value	Higher the net assets value of the investees, higher the fair value.
	<u>446,439</u>	<u>427,521</u>				