

ALLIANCE INSURANCE P.S.C.

Condensed interim financial information (Unaudited)
For the six-month period ended 30 June 2025

Report on Review of the Condensed Interim Financial Information To the Shareholders of Alliance Insurance P.S.C.

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Alliance Insurance P.S.C. (the "Company") as at 30 June 2025 and condensed interim income statement and condensed interim statement of comprehensive income for the three-month and six-month periods then ended, and condensed interim statement of changes in equity and condensed interim statement of cash flows for the six-month period then ended, and material accounting policy information and other related explanatory notes. Management is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with International Accounting Standard 34 "*Interim Financial Reporting*". Our responsibility is to express a conclusion on this condensed interim 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 condensed 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 financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "*Interim Financial Reporting*".

GRANT THORNTON UAE


Farouk Mohamed
Registration No: 86
Dubai, United Arab Emirates



12 August 2025

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Condensed interim statement of financial position
As at 30 June 2025

	Notes	(Unaudited) 30 June 2025 AED	(Audited) 31 December 2024 AED
Assets			
Property and equipment		4,754,688	4,648,947
Investment properties		242,782,500	242,782,500
Investments at amortised cost	5	320,751,075	317,758,258
Investments at fair value through other comprehensive income (FVTOCI)	5	9,136,869	7,709,234
Deferred tax asset		146,420	54,607
Insurance contract assets	6	-	315,463
Reinsurance contract assets	6	218,619,511	213,919,694
Prepayments and other receivables	7	39,879,089	28,199,658
Statutory deposits	8	10,000,000	10,000,000
Fixed deposits	9	425,075,165	444,798,873
Cash and cash equivalents	10	9,409,139	10,739,777
Total assets		1,280,554,456	1,280,927,011
Equity and liabilities			
Equity			
Share capital	11	100,000,000	100,000,000
Statutory reserve	12	100,000,000	100,000,000
Regular reserve		96,021,578	96,021,578
General reserve		180,000,000	230,000,000
Reinsurance reserve		5,079,054	5,079,054
Cumulative change in fair value of FVTOCI investments		(1,700,576)	(2,999,724)
Finance income reserve		52,030,061	52,958,378
Retained earnings / (accumulated losses)		13,948,936	(16,879,670)
Total equity		545,379,053	564,179,616
Liabilities			
Employees' end of service benefits		5,367,236	5,884,570
Insurance contract liabilities	6	711,943,619	696,308,473
Reinsurance contract liabilities	6	240,865	180,503
Other payables	13	13,906,932	11,757,098
Income tax payable		2,209,734	1,238,221
Deferred tax liability		1,507,017	1,378,530
Total liabilities		735,175,403	716,747,395
Total equity and liabilities		1,280,554,456	1,280,927,011

This condensed interim financial information was authorised for issue on 12 August 2025 by the Board of Directors and signed on its behalf by:

Signed by Shahreyar Nawabi
Date: 2025.08.12 12:21:48

Shahreyar Haider Ashraf Nawabi
Vice Chairman

Rami Al Mughrabi
General Manager

The notes from 1 to 25 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Condensed interim income statement
For the period ended 30 June 2025

	Notes	For the three-month period ended 30 June (Unaudited)		For the six-month period ended 30 June (Unaudited)	
		2025 AED	<i>Restated</i> 2024 AED	2025 AED	<i>Restated</i> 2024 AED
Insurance revenue	15	74,864,985	82,535,710	152,387,184	158,466,880
Insurance service expenses	16	(40,342,788)	(45,031,390)	(85,549,859)	(109,385,319)
Insurance service result before reinsurance contracts held		34,522,197	37,504,320	66,837,325	49,081,561
Allocation of reinsurance premiums		(52,477,797)	(53,129,409)	(104,029,675)	(102,968,967)
Amounts recoverable from reinsurance		9,726,521	10,441,927	28,724,945	41,286,587
Net expenses from reinsurance contracts held		(42,751,276)	(42,687,482)	(75,304,730)	(61,682,380)
Insurance service result		(8,229,079)	(5,183,162)	(8,467,405)	(12,600,819)
Insurance finance expense for insurance contracts issued	17	(2,230,459)	(1,410,534)	(10,176,281)	(10,022,051)
Reinsurance finance income / (expense) for reinsurance contracts held	17	800,136	(1,016,444)	1,942,971	170,533
Net insurance financial result	17	(1,430,323)	(2,426,978)	(8,233,310)	(9,851,518)
Income from financial investments	17	11,095,617	12,464,685	21,225,749	24,488,538
Income from investment properties – net	17	3,244,627	3,256,918	6,880,244	6,593,357
Total investment income		14,340,244	15,721,603	28,105,993	31,081,895
Foreign currency exchange gain		56,180	75,013	132,510	181,598
Other income		659,806	549,370	1,448,683	1,275,562
Other operating expenses		(545,967)	(578,352)	(1,186,352)	(1,538,873)
Profit for the period before tax		4,850,861	8,157,494	11,800,119	8,547,845
Income tax expense		(379,324)	(694,276)	(971,513)	(696,058)
Profit for the period after tax		4,471,537	7,463,218	10,828,606	7,851,787
Basic and diluted earnings after tax per share	14	4.47	7.46	10.83	7.85

The notes from 1 to 25 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Condensed interim statement of comprehensive income
For the period ended 30 June 2025

	For the three-month period ended 30 June (Unaudited)		For the six-month period ended 30 June (Unaudited)	
	2025	<i>Restated</i> 2024	2025	<i>Restated</i> 2024
	AED	AED	AED	AED
Profit for the period after tax	4,471,537	7,463,218	10,828,606	7,851,787
Other comprehensive income:				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Net change in fair value of equity investments designated at FVTOCI – net of tax	617,095	(617,096)	1,299,148	(714,532)
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Insurance and reinsurance finance (expense) / income – net of tax	(1,733,713)	5,941,729	(928,317)	11,283,511
Total other comprehensive (loss) / income for the period	(1,116,618)	5,324,633	370,831	10,568,979
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,354,919	12,787,851	11,199,437	18,420,766

The notes from 1 to 25 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Condensed interim statement of changes in equity
For the period ended 30 June 2025

	Share capital AED	Statutory reserve AED	Regular reserve AED	General reserve AED	Reinsurance reserve AED	FVTOCI investments AED	Finance income reserve AED	Retained earnings / (accumulated losses) AED	Total equity AED
Balance at 1 January 2024 (Audited)	100,000,000	100,000,000	93,303,535	222,000,000	3,967,092	(2,447,586)	-	43,417,517	560,240,558
Restatement due to change in accounting policy	-	-	-	-	-	-	45,647,610	(45,647,610)	-
Balance at 1 January 2024 (Audited) <i>(restated)</i>	100,000,000	100,000,000	93,303,535	222,000,000	3,967,092	(2,447,586)	45,647,610	(2,230,093)	560,240,558
Profit for the period after tax <i>(restated)</i>	-	-	-	-	-	-	-	7,851,787	7,851,787
Other comprehensive (loss)/income for the period <i>(restated)</i>	-	-	-	-	-	(714,532)	11,283,511	-	10,568,979
Total comprehensive income for the period <i>(restated)</i>	-	-	-	-	-	(714,532)	11,283,511	7,851,787	18,420,766
Dividend paid	-	-	-	-	-	-	-	(30,000,000)	(30,000,000)
Balance at 30 June 2024 (Unaudited) <i>(restated)</i>	100,000,000	100,000,000	93,303,535	222,000,000	3,967,092	(3,162,118)	56,931,121	(24,378,306)	548,661,324
Balance at 1 January 2025 (Audited)	100,000,000	100,000,000	96,021,578	230,000,000	5,079,054	(2,999,724)	52,958,378	(16,879,670)	564,179,616
Profit for the period after tax	-	-	-	-	-	-	-	10,828,606	10,828,606
Other comprehensive income / (loss) for the period	-	-	-	-	-	1,299,148	(928,317)	-	370,831
Total comprehensive income for the period	-	-	-	-	-	1,299,148	(928,317)	10,828,606	11,199,437
Dividend paid	-	-	-	-	-	-	-	(30,000,000)	(30,000,000)
Transfer from reserves	-	-	-	(50,000,000)	-	-	-	50,000,000	-
Balance at 30 June 2025 (Unaudited)	100,000,000	100,000,000	96,021,578	180,000,000	5,079,054	(1,700,576)	52,030,061	13,948,936	545,379,053

The notes from 1 to 25 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Condensed interim statement of cash flows
For the period ended 30 June 2025

		For the six-month period ended 30 June (Unaudited)	
		2025	<i>Restated</i> 2024
	Notes	AED	AED
Cash flows from operating activities			
Profit for the period before tax		11,800,119	8,547,845
Adjustments for:			
Depreciation of property and equipment		340,514	309,725
Interest income from investments at amortised cost	17	(9,385,112)	(9,793,809)
Amortisation of fees, premiums, and discounts on investments	5	(1,157,817)	498,610
Interest income from deposits	17	(10,523,571)	(13,178,650)
Interest income from loans guaranteed by life insurance policies	17	(674,632)	(1,069,945)
Income from investment properties	17	(6,880,244)	(6,593,357)
Provision for employees' end of service indemnity		314,344	315,317
Dividend income	17	(642,434)	(446,134)
Change in insurance and reinsurance finance income - net	17	(1,020,129)	12,399,463
Operating cash flows before changes in working capital		(17,828,962)	(9,010,935)
Changes in working capital:			
Prepayments and other receivables		(16,508,206)	(3,400,642)
Reinsurance contract assets		(4,699,817)	(16,147,568)
Insurance contract assets		315,463	48,453
Insurance contract liabilities		15,635,146	4,097,766
Reinsurance contract liabilities		60,362	(17,084)
Other payables		2,407,027	(1,825,616)
Cash used in operations		(20,618,987)	(26,255,626)
Employees' end of service indemnity paid		(831,678)	(70,076)
Net cash used in operating activities		(21,450,665)	(26,325,702)
Cash flows from investing activities			
Purchase of property and equipment		(446,255)	(211,825)
Income received on deposits		2,930,892	4,134,845
Purchases of financial investments at amortised cost	5	(144,965,000)	(18,350,000)
Maturity of financial investments at amortised cost	5	143,130,000	18,350,000
Income received from investments at amortised cost		11,201,830	11,669,500
Deposits encashed during the period		27,316,387	28,328,934
Income received from investment properties		10,309,739	5,371,683
Dividend income received		642,434	446,134
Net cash generated from investing activities		50,120,027	49,739,271
Cash flows from financing activity			
Dividends paid to Company's shareholders		(30,000,000)	(30,000,000)
Net cash used in financing activity		(30,000,000)	(30,000,000)
Net change in cash and cash equivalents		(1,330,638)	(6,586,431)
Cash and cash equivalents at beginning of the period		10,739,777	14,810,363
Cash and cash equivalents at end of the period	10	9,409,139	8,223,932

The notes from 1 to 25 form an integral part of this condensed interim financial information.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

1 Legal status and activities

Alliance Insurance P.S.C. (the "Company") is a Public Shareholding Company which was originally established in Dubai on 1 July 1975 as a limited liability company under the name of Credit and Commerce Insurance Company. The Company was subsequently incorporated in Dubai on 6 January 1982 as a limited liability company under an Emiri Decree. The Company was converted to a Public Shareholding Company (P.S.C.) in January 1995, in accordance with the UAE Federal Commercial Companies Law No. (8) of 1984 (as amended). The Company's shares are listed on the Dubai Financial Market. The registered address of the Company is Warba Centre, P.O. Box 5501, Dubai, United Arab Emirates.

The licensed activities of the Company are issuing short term and long-term insurance contracts. The insurance contracts are issued in connection with property, motor, aviation and marine risks (collectively known as general insurance) and individual life (participating and non-participating), group life, personal accident, medical and investment linked products.

This condensed interim financial information has been prepared in accordance with the requirements of the applicable laws and regulations, including UAE Federal Decree Law No. (48) of 2023 and UAE Federal Decree Law No. (32) of 2021.

During the period, a transfer of AED 50 million was made from general reserve to accumulated losses, which was approved at the annual general meeting held on 28 April 2025.

2 Basis of preparation

This condensed interim financial information is for the six-month period ended 30 June 2025 and is presented in United Arab Emirate Dirham (AED), which is also the functional currency of the Company. This condensed interim financial information has been prepared in accordance with IAS 34 'Interim Financial Reporting' and complies with the applicable requirements of the laws in the U.A.E.

This condensed interim financial information has been prepared on the historical cost basis, except for investment properties and financial assets carried at fair value through other comprehensive income which are carried at fair value and the provision for employees' end of service indemnity which is measured in accordance with U.A.E labour laws.

The Company's condensed interim 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, prepayments and other receivables and other payables. The following balances would generally be classified as non-current: property and equipment, investment properties, statutory deposit and provision for employees' end of service indemnity. The following balances are of mixed nature (including both current and non-current portions): investments at fair value through other comprehensive income, investments at amortised cost, reinsurance contract assets and liabilities, insurance contract assets and liabilities, income tax payable, deferred tax asset and liability and fixed deposits.

The condensed interim financial information does not include all of the information required in annual financial statements in accordance with IFRS Accounting Standards and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2024. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

3 Material accounting policy information

The accounting policies, critical accounting judgments and key source of estimation used in the preparation of this condensed interim financial information are consistent with those used in the audited financial statements for the year ended 31 December 2024, except for application of new standards effective as of 1 January 2025 and several amendments and interpretations which apply for the first time in 2025.

Application of new and revised International Financial Reporting Accounting Standards ("IFRS Accounting Standards")

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

Standard number	Title	Effective date
IAS 21	Amendments to IAS 21 Lack of exchangeability Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2025

The above amendments to the standard have been adopted by the Company and did not have a material impact on the condensed interim financial information.

Standard, interpretation or amendment that has been issued but not yet effective

Standard number	Title	Effective date
IFRS 9 & IFRS 7	Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures regarding the classification and measurement of financial instruments	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

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

Judgements and estimates

The preparation of this condensed interim 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 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 to the audited financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

4 Investment properties

Investment properties comprise two commercial buildings in Dubai, UAE.

Management estimates that there has been no change in the fair value of investment properties. Investment properties are classified as level 3 in the fair value hierarchy as at 30 June 2025 (31 December 2024: level 3).

5 Financial investments

The Company's financial investments at the end of the reporting period are detailed below:

	Carrying value		Fair value	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2025	2024	2025	2024
	AED	AED	AED	AED
<i>Financial instruments</i>				
Investments at amortised cost	320,751,075	317,758,258	321,941,085	318,272,676
Investments at fair value through other comprehensive income (FVTOCI)	9,136,869	7,709,234	9,136,869	7,709,234
	<u>329,887,944</u>	<u>325,467,492</u>	<u>331,077,954</u>	<u>325,981,910</u>

Investments at amortised cost

Investment in quoted securities comprises the following:

	(Unaudited)	(Audited)
	30 June	31 December
	2025	2024
	AED	AED
Quoted bonds	322,382,907	319,390,090
Expected credit losses	(1,631,832)	(1,631,832)
	<u>320,751,075</u>	<u>317,758,258</u>

The bonds carry interest at the rates ranging from 3.4% to 7.5% per annum (31 December 2024: 3.4% to 7.5% per annum) and interest is receivable semi-annually. The Company holds these investments with the objective of receiving the contractual cash flows over the instrument's life.

	(Unaudited)	(Audited)
	30 June	31 December
	2025	2024
	AED	AED
Inside UAE	223,729,201	165,809,174
Outside UAE	97,021,874	151,949,084
	<u>320,751,075</u>	<u>317,758,258</u>

Investments at fair value through other comprehensive income (FVTOCI)

	(Unaudited)	(Audited)
	30 June	31 December
	2025	2024
	AED	AED
Quoted equity securities in UAE	<u>9,136,869</u>	<u>7,709,234</u>

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 June 2025

5 Financial investments (continued)

Movement in financial investments

The movement in investments at FVTOCI and investments at amortised cost are as follows:

	FVTOCI AED	Amortised cost AED	Total AED
At 1 January 2024 (Audited)	8,315,980	328,932,079	337,248,059
Amortised	-	(1,379,816)	(1,379,816)
Changes in fair value	(606,746)	-	(606,746)
Purchases	-	59,293,679	59,293,679
Matured	-	(69,087,684)	(69,087,684)
At 31 December 2024 (Audited)	7,709,234	317,758,258	325,467,492
Amortised	-	1,157,817	1,157,817
Changes in fair value	1,427,635	-	1,427,635
Purchases	-	144,965,000	144,965,000
Matured	-	(143,130,000)	(143,130,000)
At 30 June 2025 (Unaudited)	9,136,869	320,751,075	329,887,944

6 Insurance and reinsurance contracts

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

	30 June 2025 (Unaudited)			31 December 2024 (Audited)		
	Assets AED	Liabilities AED	Net AED	Assets AED	Liabilities AED	Net AED
Insurance contracts issued						
Life and Medical	-	(429,975,278)	(429,975,278)	315,463	(434,998,528)	(434,683,065)
General	-	(281,968,341)	(281,968,341)	-	(261,309,945)	(261,309,945)
	-	(711,943,619)	(711,943,619)	315,463	(696,308,473)	(695,993,010)
Reinsurance contracts held						
Life and Medical	12,231,754	-	12,231,754	14,936,863	-	14,936,863
General	206,387,757	(240,865)	206,146,892	198,982,831	(180,503)	198,802,328
	218,619,511	(240,865)	218,378,646	213,919,694	(180,503)	213,739,191

Insurance contract liabilities have been adjusted for loans guaranteed by life insurance policies amounting to AED 41,436,325 as at 30 June 2025 (31 December 2024: AED 40,126,112).

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

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

	PAA AED	Non-PAA AED	Total AED
30 June 2025 (unaudited)			
Insurance contract liabilities	301,086,207	410,857,412	711,943,619
Reinsurance contract liabilities	240,865	-	240,865
Insurance contract assets	-	-	-
Reinsurance contract assets	(214,664,673)	(3,954,838)	(218,619,511)
31 December 2024 (audited)			
Insurance contract liabilities	280,037,333	416,271,140	696,308,473
Reinsurance contract liabilities	180,503	-	180,503
Insurance contract assets	(315,463)	-	(315,463)
Reinsurance contract assets	(209,644,003)	(4,275,691)	(213,919,694)

Expected recognition of the contractual service margin - An analysis of the expected recognition of the CSM remaining at the end of the reporting period in profit or loss is provided in the following table (number of years until expected to be recognised)

	1 year AED	2 year AED	3 year AED	4 year AED	5 year AED	>5 year AED	Total AED
30 June 2025 (unaudited)							
CSM for insurance contracts issued	705,312	612,921	541,336	468,678	408,990	4,510,725	7,247,962
CSM for reinsurance contracts held	(419,587)	(367,721)	(327,331)	(285,308)	(254,761)	(2,766,836)	(4,421,544)
31 December 2024 (audited)							
CSM for insurance contracts issued	408,543	355,421	311,435	272,439	236,243	2,602,479	4,186,560
CSM for reinsurance contracts held	(515,695)	(452,218)	(400,400)	(353,284)	(310,614)	(3,371,406)	(5,403,617)

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

The Company disaggregates information to provide disclosure in respect of major product lines separately: Life & Medical and General. This disaggregation has been determined based on how the Company is managed.

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

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

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

30 June 2025 (Unaudited)	General									
	Life and Medical					General				
	Liabilities for remaining coverage		Liabilities for incurred claims			Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component (Unaudited) AED	Loss component (Unaudited) AED	Estimates of the present value of future cash flows (Unaudited) AED	Risk adjustment (Unaudited) AED	Risk adjustment (Unaudited) AED	Excluding loss component (Unaudited) AED	Loss component (Unaudited) AED	Estimates of the present value of future cash flows (Unaudited) AED	Risk adjustment (Unaudited) AED	Total (Unaudited) AED
Insurance contract assets as at 1 January	431,693	-	(115,848)	(382)	-	-	-	-	-	315,463
Insurance contract liabilities as at 1 January	(8,207,041)	-	(10,241,989)	(278,358)	(11,560,724)	(4,503,754)	(252,628,639)	(15,738,276)	(280,037,333)	
Net insurance contract liabilities as at 1 January (audited)	(7,775,348)	-	(10,357,837)	(278,740)	(11,560,724)	(4,503,754)	(252,628,639)	(15,738,276)	(279,721,870)	
Insurance revenue	24,214,844	-	-	-	105,205,168	-	-	-	-	129,420,012
Insurance service expenses	(6,270,568)	-	(16,684,076)	81,093	(12,458,923)	(694,353)	(27,939,176)	68,141	(63,897,862)	
Incurred claims and other expenses	-	-	(21,651,545)	(385,788)	-	-	(52,893,438)	(3,236,312)	(78,167,083)	
Amortisation of insurance acquisition cash	(6,270,568)	-	-	-	(12,458,923)	-	-	-	(18,729,491)	
Changes to liabilities for incurred claims	-	-	4,967,469	466,881	-	-	24,954,262	3,304,453	33,693,065	
Losses on onerous contracts	-	-	-	-	-	(694,353)	-	-	(694,353)	
Insurance service result	17,944,276	-	(16,684,076)	81,093	92,746,245	(694,353)	(27,939,176)	68,141	65,522,150	
Insurance finance expenses	-	-	(89,190)	-	-	-	(2,501,020)	-	(2,590,210)	
Total changes in the statement of comprehensive income	17,944,276	-	(16,773,266)	81,093	92,746,245	(694,353)	(30,440,196)	68,141	62,931,940	
Cash flows										
Premiums received	(23,472,299)	-	-	-	(100,213,977)	-	-	-	(123,686,276)	
Claims and other expenses paid	-	-	17,262,511	-	-	-	10,133,617	-	27,396,128	
Insurance acquisition cash flows paid	4,251,744	-	-	-	7,742,127	-	-	-	11,993,871	
Total cash flows	(19,220,555)	-	17,262,511	-	(92,471,850)	-	10,133,617	-	(84,296,277)	
Insurance contract liabilities as at 30 June	(9,051,627)	-	(9,868,592)	(197,647)	11,835,119	(5,198,107)	(272,935,218)	(15,670,135)	(301,086,207)	

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

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

31 December 2024 (Audited)	Life and Medical				General				
	Liabilities for remaining coverage		Liabilities for incurred claims		Liabilities for remaining coverage		Liabilities for incurred claims		
	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	
	Total AED				Total AED				
Insurance contract assets as at 1 January	823,052	-	(468,394)	(7,932)	-	-	-	-	346,726
Insurance contract liabilities as at 1 January	(6,186,948)	-	(13,032,230)	(365,026)	(7,376,721)	(5,778,032)	(249,004,784)	(17,064,233)	(298,807,974)
Net insurance contract liabilities as at 1 January	(5,363,896)	-	(13,500,624)	(372,958)	(7,376,721)	(5,778,032)	(249,004,784)	(17,064,233)	(298,461,248)
Insurance revenue	53,622,579	-	-	-	215,034,119	-	-	-	268,656,698
Insurance service expenses	(9,825,734)	-	(38,723,438)	94,218	(19,348,785)	1,274,278	(74,855,878)	1,325,957	(140,059,382)
Incurred claims and other expenses	-	-	(46,681,777)	(1,738,339)	-	-	(152,453,683)	(9,220,751)	(210,094,550)
Amortisation of insurance acquisition cash flows	(9,825,734)	-	-	-	(19,348,785)	-	-	-	(29,174,519)
Changes to liabilities for incurred claims	-	-	7,958,339	1,832,557	-	-	77,597,805	10,546,708	97,935,409
Losses on onerous contracts and reversals of those	-	-	-	-	-	1,274,278	-	-	1,274,278
Insurance service result	43,796,845	-	(38,723,438)	94,218	195,685,334	1,274,278	(74,855,878)	1,325,957	128,597,316
Insurance finance expenses	-	-	(196,247)	-	-	-	(1,493,461)	-	(1,689,708)
Total changes in the statement of comprehensive income	43,796,845	-	(38,919,685)	94,218	195,685,334	1,274,278	(76,349,339)	1,325,957	126,907,608
Cash flows									
Premiums received	(55,653,387)	-	-	-	(195,396,736)	-	-	-	(251,050,123)
Claims and other expenses paid	-	-	42,062,472	-	-	-	72,725,484	-	114,787,956
Insurance acquisition cash flows	9,445,090	-	-	-	18,648,847	-	-	-	28,093,937
Total cash flows	(46,208,297)	-	42,062,472	-	(176,747,889)	-	72,725,484	-	(108,168,230)
Net insurance contract liabilities as at 31 December	431,693	-	(115,848)	(382)	-	-	-	-	315,463
Insurance contract assets as at 31 December	(8,207,041)	-	(10,241,989)	(278,358)	11,560,724	(4,503,754)	(252,628,639)	(15,738,276)	(280,037,333)
Insurance contract liabilities as at 31 December	(7,775,348)	-	(10,357,837)	(278,740)	11,560,724	(4,503,754)	(252,628,639)	(15,738,276)	(279,721,870)
Net insurance contract liabilities as at 31 December									

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

Reconciliation of the liability for remaining coverage and the liability for incurred claims – applicable to contracts not measured under the PAA relating to individual life insurance

	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component		
	(Unaudited)	(Unaudited)		
	AED	AED	AED	AED
30 June 2025 (Unaudited)				
Net insurance contract liabilities as at 1 January (audited)	(348,869,210)	(39,846,877)	(27,555,053)	(416,271,140)
Insurance revenue	22,967,172	-	-	22,967,172
Insurance service expenses	(1,701,038)	7,669,506	(27,620,465)	(21,651,997)
Incurred claims and other expenses	-	-	(24,226,435)	(24,226,435)
Amortisation of insurance acquisition cash flows	(1,701,038)	-	-	(1,701,038)
Reversals of losses on onerous contracts	-	7,669,506	-	7,669,506
Changes to liabilities for incurred claims	-	-	(3,394,030)	(3,394,030)
Insurance service result	21,266,134	7,669,506	(27,620,465)	1,315,175
Insurance finance expenses	405,260	(8,887,657)	(105,835)	(8,588,232)
Investment components	20,134,326	-	(20,134,326)	-
Total changes in the statement of comprehensive income	41,805,720	(1,218,151)	(47,860,626)	(7,273,057)
Cash flows				
Premiums received	(34,662,305)	-	-	(34,662,305)
Claims and other expenses paid	-	-	44,325,434	44,325,434
Insurance acquisition cash flows paid	3,023,656	-	-	3,023,656
Total cash flows	(31,638,649)	-	44,325,434	12,686,785
Insurance contract liabilities as at 30 June	(338,702,139)	(41,065,028)	(31,090,245)	(410,857,412)
31 December 2024 (Audited)				
Net insurance contract liabilities as at 1 January	(376,968,115)	(26,970,156)	(32,464,552)	(436,402,823)
Insurance revenue	58,866,571	-	-	58,866,571
Insurance service expenses	(3,180,123)	(13,179,732)	(53,956,374)	(70,316,229)
Incurred claims and other expenses	-	-	(59,039,625)	(59,039,625)
Amortisation of insurance acquisition cash flows	(3,180,123)	-	-	(3,180,123)
Losses on onerous contracts and reversals	-	(13,179,732)	-	(13,179,732)
Changes to liabilities for incurred claims	-	-	5,083,251	5,083,251
Insurance service result	55,686,448	(13,179,732)	(53,956,374)	(11,449,658)
Insurance finance expenses	(4,536,146)	303,011	(126,162)	(4,359,297)
Investment components	53,073,463	-	(53,073,463)	-
Total changes in the statement of comprehensive income	104,223,765	(12,876,721)	(107,155,999)	(15,808,955)
Cash flows				
Premiums received	(82,877,523)	-	-	(82,877,523)
Claims and other expenses paid	-	-	112,065,498	112,065,498
Insurance acquisition cash flows paid	6,752,663	-	-	6,752,663
Total cash flows	(76,124,860)	-	112,065,498	35,940,638
Net insurance contract liabilities as at 31 December	(348,869,210)	(39,846,877)	(27,555,053)	(416,271,140)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances - applicable to contracts measured for contracts not under PAA relating to individual life insurance

30 June 2025 (Unaudited)	Estimates of present value of future cash flows (Unaudited) AED	Risk adjustment for non-financial risk (Unaudited) AED	CSM (Unaudited) AED	Total (Unaudited) AED
Net insurance contract liabilities as at 1 January (audited)	(400,758,596)	(11,325,984)	(4,186,560)	(416,271,140)
Changes that relate to current services				
CSM recognised for services provided	-	-	688,244	688,244
Change in risk adjustment for non-financial risk for risk expired	-	523,243	-	523,243
Experience adjustments	(1,260,305)	(35,327)	-	(1,295,632)
Changes that relate to future services				
Contracts initially recognised in the year	-	-	-	-
Changes in estimates that adjust the CSM	3,872,446	(150,122)	(3,722,324)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	4,714,559	78,791	-	4,793,350
Changes that relate to past services				
Adjustments to liabilities for incurred claims	(3,416,426)	22,396	-	(3,394,030)
Insurance service result	3,910,274	438,981	(3,034,080)	1,315,175
Net finance expenses from insurance contracts	(8,560,910)	-	(27,322)	(8,588,232)
Total changes in the statement of profit or loss and OCI	(4,650,636)	438,981	(3,061,402)	(7,273,057)
Cash flows				
Premiums received	(34,662,305)	-	-	(34,662,305)
Claims and other directly attributable expenses paid	44,325,434	-	-	44,325,434
Insurance acquisition cash flows paid	3,023,656	-	-	3,023,656
Total cash flows	12,686,785	-	-	12,686,785
Insurance contract liabilities as at 30 June	(392,722,447)	(10,887,003)	(7,247,962)	(410,857,412)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance contract balances - applicable to contracts measured for contracts not under PAA relating to individual life insurance (continued)

31 December 2024 (Audited)	Estimates of present value of future cash flows (Audited) AED	Risk adjustment for non-financial risk (Audited) AED	CSM (Audited) AED	Total (Audited) AED
Insurance contract liabilities as at 1 January	(419,843,303)	(12,150,816)	(4,408,704)	(436,402,823)
Changes that relate to current services				
CSM recognised for services provided	-	-	1,581,421	1,581,421
Change in risk adjustment for non-financial risk for risk expired	-	1,735,168	-	1,735,168
Experience adjustments	2,655,325	(47,591)	-	2,607,734
Changes that relate to future services				
Contracts initially recognised in the year	(1,753,413)	(558,203)	(493,217)	(2,804,833)
Changes in estimates that adjust the CSM	903,189	(108,492)	(794,697)	-
Changes in estimates that result in losses and reversals of losses on onerous contracts	(19,378,022)	(274,379)	-	(19,652,401)
Changes that relate to past services				
Adjustments to liabilities for incurred claims	5,004,924	78,329	-	5,083,253
Insurance service result	(12,567,997)	824,832	293,507	(11,449,658)
Net finance expenses from insurance contracts	(4,287,934)	-	(71,363)	(4,359,297)
Total changes in the statement of profit or loss	(16,855,931)	824,832	222,144	(15,808,955)
Cash flows				
Premiums received	(82,877,523)	-	-	(82,877,523)
Claims and other directly attributable expenses paid	112,065,498	-	-	112,065,498
Insurance acquisition cash flows paid	6,752,663	-	-	6,752,663
Total cash flows	35,940,638	-	-	35,940,638
Insurance contract liabilities as at 31 December	(400,758,596)	(11,325,984)	(4,186,560)	(416,271,140)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

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

30 June 2025 (Unaudited)	General									
	Life and Medical					General				
	Assets for remaining coverage		Amounts recoverable on incurred claims			Assets for remaining coverage		Amounts recoverable on incurred claims		
	Excluding loss recovery component (Unaudited) AED	Loss component (Unaudited) AED	Estimates of the present value of future cash flows (Unaudited) AED	Risk adjustment (Unaudited) AED	Risk component (Unaudited) AED	Excluding loss recovery component (Unaudited) AED	Loss component (Unaudited) AED	Estimates of the present value of future cash flows (Unaudited) AED	Risk adjustment (Unaudited) AED	Total (Unaudited) AED
Reinsurance contract assets as at 1 January	5,298,504	-	6,124,114	193,114	-	5,939,332	-	177,925,709	14,163,231	209,644,004
Reinsurance contract liabilities as at 1 January	-	-	-	-	-	(105,784)	-	(52,126)	(22,593)	(180,503)
Net reinsurance contract assets as at 1 January (audited)	5,298,504	-	6,124,114	193,114	-	5,833,548	-	177,873,583	14,140,638	209,463,501
An allocation of reinsurance premiums	(13,833,336)	-	-	-	-	(89,337,318)	-	-	-	(103,170,654)
Amounts recoverable from reinsurers for incurred claims	-	-	11,008,217	(47,777)	-	-	-	18,261,937	(933,573)	28,288,804
Amounts recoverable for incurred claims and other expenses	-	-	14,425,270	594,018	-	-	-	39,093,228	2,648,943	56,761,459
Changes to amounts recoverable for incurred claims	-	-	(3,417,053)	(641,795)	-	-	-	(20,831,291)	(3,582,516)	(28,472,655)
Changes in fulfilment cash flows that do not adjust CSM	-	-	-	-	-	-	-	-	-	-
Net income or expense from reinsurance contracts held	(13,833,336)	-	11,008,217	(47,777)	-	(89,337,318)	-	18,261,937	(933,573)	(74,881,850)
Reinsurance finance income	-	-	59,092	-	-	-	-	1,940,015	-	1,999,107
Total changes in the statement of comprehensive income	(13,833,336)	-	11,067,309	(47,777)	-	(89,337,318)	-	20,201,952	(933,573)	(72,882,743)
Cash flows										
Premiums paid	11,950,793	-	-	-	-	109,140,271	-	-	-	121,091,064
Amounts received	-	-	(11,562,923)	-	-	-	-	(31,685,091)	-	(43,248,014)
Total cash flows	11,950,793	-	(11,562,923)	-	-	109,140,271	-	(31,685,091)	-	77,843,050
Reinsurance contract assets as at 30 June	3,415,961	-	5,628,500	145,337	-	26,086,974	-	166,193,615	13,194,286	214,664,673
Reinsurance contract liabilities as at 30 June	-	-	-	-	-	(450,473)	-	196,829	12,779	(240,865)
Net reinsurance contract assets as at 30 June	3,415,961	-	5,628,500	145,337	-	25,636,501	-	166,390,444	13,207,065	214,423,808

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

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

31 December 2024 (Audited)	Life and Medical										General			
	Assets for remaining coverage					Amounts recoverable on incurred claims					Assets for remaining coverage			
	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss recovery component AED	Risk adjustment AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Excluding loss recovery component AED	Loss component AED	Estimates of the present value of future cash flows AED	Risk adjustment AED	Total AED
Reinsurance contract assets as at 1 January	7,417,564	-	7,005,275	257,200	31,196,626	2,946,796	161,644,365	15,643,149	226,110,975					
Reinsurance contract liabilities as at 1 January	-	-	-	-	(25,427)	-	(155,363)	(336,153)						
Net reinsurance contract assets as at 1 January	7,417,564	-	7,005,275	257,200	31,171,199	2,946,796	161,489,002	15,487,786	225,774,822					
Allocation of reinsurance premiums	(31,319,565)	-	-	-	(178,452,083)	-	-	-	(209,771,648)					
Amounts recoverable from reinsurers for incurred claims	-	-	24,669,894	(64,086)	-	(2,946,796)	43,049,584	(1,347,148)	63,361,448					
Amounts recoverable for incurred claims and other expenses	-	-	30,082,345	1,334,236	-	-	123,713,590	8,158,418	163,288,589					
Changes to amounts recoverable for incurred claims	-	-	(5,412,451)	(1,398,322)	-	-	(80,664,006)	(9,505,566)	(96,980,345)					
Changes in fulfilment cash flows that do not adjust CSM	-	-	-	-	-	(2,946,796)	-	-	(2,946,796)					
Net expense or income from reinsurance contracts held	(31,319,565)	-	24,669,894	(64,086)	(178,452,083)	(2,946,796)	43,049,584	(1,347,148)	(146,410,200)					
Reinsurance finance income	-	-	126,923	-	-	-	1,059,749	-	1,186,672					
Total changes in the statement of comprehensive income	(31,319,565)	-	24,796,817	(64,086)	(178,452,083)	(2,946,796)	44,109,333	(1,347,148)	(145,223,528)					
<i>Cash flows</i>														
Premiums paid	29,200,505	-	-	-	153,114,432	-	-	-	182,314,937					
Amounts received	-	-	(25,677,978)	-	-	-	(27,724,752)	-	(53,402,730)					
Total cash flows	29,200,505	-	(25,677,978)	-	153,114,432	-	(27,724,752)	-	128,912,207					
Net reinsurance contract assets/(liabilities) as at 31 December														
Reinsurance contract assets as at 31 December	5,298,504	-	6,124,114	193,114	5,939,332	-	177,925,709	14,163,231	209,644,004					
Reinsurance contract liabilities as at 31 December	-	-	-	-	(105,784)	-	(52,126)	(22,593)	(180,503)					
Net reinsurance contract assets as at 31 December	5,298,504	-	6,124,114	193,114	5,833,548	-	177,873,583	14,140,638	209,463,501					

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

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

30 June 2025 (Unaudited)	Assets for remaining coverage			Assets for remaining coverage			Total (Unaudited) AED
	Excluding loss recovery component (Unaudited) AED	Loss component (Unaudited) AED	Amounts recoverable on incurred claims (Unaudited) AED	Excluding loss recovery component (Unaudited) AED	Loss component (Unaudited) AED	Amounts recoverable on incurred claims (Unaudited) AED	
Reinsurance contract assets as at 1 January (audited)	3,057,713	-	263,418	(4,130)	-	958,689	
An allocation of reinsurance premiums	(972,485)	-	500,050	113,464	-	(63,909)	(859,021)
Amounts recoverable from reinsurers for incurred claims	-	-	(23)	-	-	78,854	436,141
Amounts recoverable for incurred claims and other expenses	-	-	500,073	-	-	(142,763)	78,831
Changes to amounts recoverable for incurred claims	(972,485)	-	500,050	113,464	-	(63,909)	357,310
Net income or expense from reinsurance contracts held	(82,359)	-	1,060	55	-	7,140	(422,880)
Reinsurance finance (expense) / income	(1,054,844)	-	501,110	113,519	-	(56,769)	(74,104)
Total changes in the statement of comprehensive income							(496,984)
Cash flows							
Premiums paid	372,866	-	-	(113,578)	-	-	259,288
Amounts received	-	-	(98,307)	-	-	15,151	(83,156)
Total cash flows	372,866	-	(98,307)	(113,578)	-	15,151	176,132
Reinsurance contract assets as at 30 June	2,375,735	-	666,221	(4,189)	-	917,071	3,954,838

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
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6 Insurance and reinsurance contracts (continued)

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

31 December 2024 (Audited)

31 December 2024 (Audited)	Life and Medical			General		
	Assets for remaining coverage			Assets for remaining coverage		
	Excluding loss recovery component (Audited) AED	Loss component (Audited) AED	Amounts recoverable on incurred claims (Audited) AED	Excluding loss recovery component (Audited) AED	Loss component (Audited) AED	Amounts recoverable on incurred claims (Audited) AED
Reinsurance contract assets as at 1 January	3,357,641	-	395,627	(129,984)	-	1,701,970
An allocation of reinsurance premiums	(1,811,490)	-	-	(239,742)	-	-
Amounts recoverable from reinsurers for incurred claims	-	-	(420,725)	-	-	(555,316)
Amounts recoverable for incurred claims and other expenses	-	-	(295,304)	-	-	521,875
Changes to amounts recoverable for incurred claims	-	-	(125,421)	-	-	(1,077,191)
Net income or expense from reinsurance contracts held	(1,811,490)	-	(420,725)	(239,742)	-	(555,316)
Reinsurance finance income	29,850	-	1,624	1,826	-	12,198
Total changes in the statement of comprehensive income	(1,781,640)	-	(419,101)	(237,916)	-	(543,118)
Cash flows						
Premiums paid	1,481,712	-	-	363,770	-	-
Amounts received	-	-	286,892	-	-	(200,163)
Total cash flows	1,481,712	-	286,892	363,770	-	(200,163)
Reinsurance contract assets as at 31 December	3,057,713	-	263,418	(4,130)	-	958,689
						4,275,690
						(Audited) AED
						5,325,254
						(2,051,232)
						(976,041)
						226,571
						(1,202,612)
						(3,027,273)
						45,498
						(2,981,775)
						1,845,482
						86,729
						1,932,211
						958,689
						4,275,690

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)
Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of reinsurance contract balances - applicable to contracts not measured under PAA

30 June 2025 (Unaudited)	Life and Medical		General		Total (Unaudited) AED
	Estimates of present value of future cash flows (Unaudited) AED	Risk adjustment for non-financial risk (Unaudited) AED	Estimates of present value of future cash flows (Unaudited) AED	Risk adjustment for non-financial risk (Unaudited) AED	
Reinsurance contract assets as at 1 January (audited)	(2,159,375)	76,888	5,403,617	825,790	4,275,690
Changes that relate to current services					
CSM recognised for services provided	-	-	(351,478)	-	120,415
Change in risk adjustment for non-financial risk for risk expired	-	(3,392)	-	-	(4,340)
Experience adjustments	(617,637)	-	-	62,762	(544,787)
Changes that relate to future services					
Contracts initially recognised in the year	91,129	2,219	(93,348)	-	-
Changes in estimates that adjust the CSM	579,765	(778)	(578,987)	119,529	(120,415)
Changes that relate to past services					
Adjustments to assets for incurred claims	488,598	11,475	-	(119,816)	357,310
Net expenses from reinsurance contracts	541,855	9,524	(1,023,813)	62,475	(422,880)
Net finance income from reinsurance contracts	(123,039)	-	41,740	7,195	(74,104)
Total changes in the statement of profit or loss and OCI	418,816	9,524	(982,073)	69,670	(496,984)
Cash flows					
Premiums paid	372,866	-	-	(113,578)	259,288
Amounts received	(98,307)	-	-	15,151	(83,156)
Total cash flows	274,559	-	-	(98,427)	176,132
Reinsurance contract assets as at 30 June	(1,466,000)	86,412	4,421,544	797,033	3,954,838

Alliance Insurance P.S.C.

Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

6 Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of reinsurance contract balances - applicable to contracts not measured under PAA (continued)

	Life and Medical			General		
	Estimates of present value of future cash flows AED	Risk adjustment for non-financial risk AED	CSM AED	Estimates of present value of future cash flows AED	Risk adjustment for non- financial risk AED	Total AED
31 December 2024 (Audited)	(1,987,599)	81,860	5,659,006	1,316,494	255,492	5,325,253
Reinsurance contract assets as at 1 January						
Changes that relate to current services						
CSM recognised for services provided	-	-	(902,151)	-	-	(926,545)
Change in risk adjustment for non-financial risk for risk expired	-	(7,770)	-	-	(28,278)	(36,048)
Experience adjustments	(1,188,461)	(8,412)	-	262,867	71,938	(862,068)
Changes that relate to future services						
Contracts initially recognised in the year	(974,996)	8,189	966,807	-	-	-
Changes in estimates that adjust the CSM	432,315	(1,624)	(430,691)	(25,344)	950	24,394
Changes that relate to past services						
Adjustments to Liabilities for incurred claims	(130,067)	4,645	-	(905,858)	(171,332)	(1,202,612)
Net expenses or income from reinsurance contracts	(1,861,209)	(4,972)	(366,035)	(668,335)	(126,722)	(3,027,273)
Net finance income from reinsurance contracts	(79,171)	-	110,646	14,024	-	45,499
Total changes in the statement of profit or loss	(1,940,380)	(4,972)	(255,389)	(654,311)	(126,722)	(2,981,774)
Cash flows						
Premiums paid	1,481,712	-	-	363,770	-	1,845,482
Amounts received	286,892	-	-	(200,163)	-	86,729
Total cash flows	1,768,604	-	-	163,607	-	1,932,211
Reinsurance contract assets as at 31 December	(2,159,375)	76,888	5,403,617	825,790	128,770	4,275,690

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

7 Prepayments and other receivables

	(Unaudited) 30 June 2025 AED	(Audited) 31 December 2024 AED
Rent receivable from tenants	11,308,445	6,893,159
Provision for expected credit losses	(4,894,414)	(4,894,414)
Rent receivable from tenants – net	6,414,031	1,998,745
Receivable from fronting arrangement	23,477,399	19,656,586
Accrued interest from investments at amortised cost	5,435,900	5,527,466
Prepayments	4,300,629	850,971
Refundable deposits	183,857	148,003
Receivable from employees	67,273	17,887
	<u>39,879,089</u>	<u>28,199,658</u>

8 Statutory deposits

As at 30 June 2025, deposit of AED 10,000,000 (31 December 2024: AED 10,000,000) has been placed with one of the Company's banks, in accordance with Article 42 of UAE Federal Decree Law No. (48) of 2023. This deposit has been pledged to the bank as security against a guarantee issued by the Bank in favor of the Central Bank of the United Arab Emirates ("CBUAE") for the same amount. This deposit cannot be withdrawn without prior approval of the Central Bank of the United Arab Emirates and bears an interest rate of 3.8% per annum (31 December 2024: 5.1% per annum).

9 Fixed deposits

	(Unaudited) 30 June 2025 AED	(Audited) 31 December 2024 AED
<i>Current portion</i>		
Short term fixed deposits with banks in the UAE	406,811,960	434,128,347
Accrued interest on short term deposits	15,526,110	7,819,289
	<u>422,338,070</u>	<u>441,947,636</u>
<i>Non-current portion</i>		
Long term fixed deposits with banks in the UAE	3,000,000	3,000,000
Accrued interest on long term deposits	57,333	171,475
	<u>3,057,333</u>	<u>3,171,475</u>
Less: Provision for expected credit losses	(320,238)	(320,238)
	<u>425,075,165</u>	<u>444,798,873</u>

The fixed deposits have an original maturity term of 12 months and above with banks in UAE bearing annual interest at rates ranging from 3.8% to 5.75% per annum (31 December 2024: 2.85% to 5.75% per annum).

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

10 Cash and cash equivalents

	(Unaudited) 30 June 2025 AED	(Audited) 31 December 2024 AED
Cash on hand	93,000	362,095
Cash at banks	9,389,966	10,451,509
Provision for expected credit losses	(73,827)	(73,827)
	<u>9,409,139</u>	<u>10,739,777</u>

Bank balances are maintained with local banks in UAE.

11 Share capital

	(Unaudited) 30 June 2025 AED	(Audited) 31 December 2024 AED
Issued and fully paid: 1,000,000 ordinary shares of AED 100 each	<u>100,000,000</u>	<u>100,000,000</u>

12 Statutory reserve

In accordance with the Company's Articles of Association and Federal Decree Law No. (32) of 2021, a minimum of 10% of the Company's profit for the year should be transferred to a non-distributable statutory reserve. As per the Company's Articles of Association, such transfers are required until the balance on the statutory reserve equals 100% of the Company's paid-up share capital. This reserve is not available for distribution, except as stipulated by the Law. No allocation to the statutory reserve has been made for the six-month period ended 30 June 2025 (2024: nil), as this has reached to 100% of the share capital.

13 Other payables

	(Unaudited) 30 June 2025 AED	(Audited) 31 December 2024 AED
Rent received in advance	9,634,140	1,789,359
Provision for staff benefits	2,567,707	6,824,695
Accruals and provision	1,685,379	1,107,837
Other payables	19,706	2,035,207
	<u>13,906,932</u>	<u>11,757,098</u>

Accrued expenses relate to amounts incurred in the normal course of business such as fees payable to regulators and other professionals.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

14 Basic and diluted earnings per share

	For the three-month period ended 30 June (Unaudited)		For the six-month period ended 30 June (Unaudited)	
		<i>Restated</i>		<i>Restated</i>
	2025	2024	2025	2024
Profit for the period after tax (in AED)	4,471,537	7,463,218	10,828,606	7,851,787
Number of shares	1,000,000	1,000,000	1,000,000	1,000,000
Basic and diluted earnings after tax per share (in AED)	4.47	7.46	10.83	7.85

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

15 Insurance revenue

For the six-month period ended 30 June 2025	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Contracts not measured under the PAA			
Expected incurred claims and other insurance service expenses	20,112,687	-	20,112,687
Recovery of insurance acquisition cash flows	1,701,038	-	1,701,038
CSM recognised for services provided	688,244	-	688,244
Change in risk adjustment for non-financial risk for risk expired	465,203	-	465,203
Contracts not measured under the PAA	22,967,172	-	22,967,172
Contracts measured under the PAA	24,214,844	105,205,168	129,420,012
Total insurance revenue	47,182,016	105,205,168	152,387,184

For the six-month period ended 30 June 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Contracts not measured under the PAA			
Expected incurred claims and other insurance service expenses	23,789,499	-	23,789,499
Recovery of insurance acquisition cash flows	1,356,607	-	1,356,607
CSM recognised for services provided	941,331	-	941,331
Change in risk adjustment for non-financial risk for risk expired	820,697	-	820,697
Contracts not measured under the PAA	26,908,134	-	26,908,134
Contracts measured under the PAA	27,344,510	104,214,236	131,558,746
Total insurance revenue	54,252,644	104,214,236	158,466,880

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

15 Insurance revenue

For the three-month period ended 30 June 2025	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Contracts not measured under the PAA			
Expected incurred claims and other insurance service expenses	9,024,524	-	9,024,524
Recovery of insurance acquisition cash flows	977,240	-	977,240
CSM recognised for services provided	407,587	-	407,587
Change in risk adjustment for non-financial risk for risk expired	234,631	-	234,631
Contracts not measured under the PAA	10,643,982	-	10,643,982
Contracts measured under the PAA	12,299,304	51,921,699	64,221,003
Total insurance revenue	22,943,286	51,921,699	74,864,985
For the three-month period ended 30 June 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Contracts not measured under the PAA			
Expected incurred claims and other insurance service expenses	12,892,963	-	12,892,963
Recovery of insurance acquisition cash flows	757,167	-	757,167
CSM recognised for services provided	593,560	-	593,560
Change in risk adjustment for non-financial risk for risk expired	471,406	-	471,406
Contracts not measured under the PAA	14,715,096	-	14,715,096
Contracts measured under the PAA	14,148,896	53,671,718	67,820,614
Total insurance revenue	28,863,992	53,671,718	82,535,710

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

16 Insurance service expenses

For the six-month period ended 30 June 2025	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Incurred claims and other expenses	46,263,768	56,129,750	102,393,518
Losses on onerous contracts and reversals of those losses	(7,669,506)	694,353	(6,975,153)
Changes to liabilities for incurred claims	(2,040,320)	(28,258,715)	(30,299,035)
Amortisation of insurance acquisition cash flows	7,971,606	12,458,923	20,430,529
	<u>44,525,548</u>	<u>41,024,311</u>	<u>85,549,859</u>

For the six-month period ended 30 June 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Incurred claims and other expenses	55,611,066	98,122,237	153,733,303
Losses on onerous contracts	3,169,426	234,354	3,403,780
Changes to liabilities for incurred claims	(13,544,707)	(48,695,854)	(62,240,561)
Amortisation of insurance acquisition cash flows	5,980,325	8,508,472	14,488,797
	<u>51,216,110</u>	<u>58,169,209</u>	<u>109,385,319</u>

For the three-month period ended 30 June 2025	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Incurred claims and other expenses	17,878,806	30,334,055	48,212,861
Losses on onerous contracts and reversals of those losses	(4,228,702)	1,056,040	(3,172,662)
Changes to liabilities for incurred claims	4,249,069	(20,520,692)	(16,271,623)
Amortisation of insurance acquisition cash flows	4,058,152	7,516,060	11,574,212
	<u>21,957,325</u>	<u>18,385,463</u>	<u>40,342,788</u>

For the three-month period ended 30 June 2024	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Incurred claims and other expenses	22,449,209	47,559,287	70,008,496
Losses on onerous contracts and reversals of those losses	1,134,513	(665,772)	468,741
Changes to liabilities for incurred claims	(3,720,308)	(29,150,778)	(32,871,086)
Amortisation of insurance acquisition cash flows	3,096,122	4,329,117	7,425,239
	<u>22,959,536</u>	<u>22,071,854</u>	<u>45,031,390</u>

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

17 Investment income and net insurance financial result

Investment income:

	For the three-month period ended 30 June (Unaudited)		For the six-month period ended 30 June (Unaudited)	
	2025	2024	2025	2024
	AED	AED	AED	AED
Interest income from fixed deposits	5,252,882	6,479,708	10,523,571	13,178,650
Interest income from investments at amortised cost	4,721,632	5,017,835	9,385,112	9,793,809
Interest income from loans guaranteed by life insurance policies	478,669	521,008	674,632	1,069,945
Dividend income from investments carried at FVOCI	642,434	446,134	642,434	446,134
Income from financial investments	11,095,617	12,464,685	21,225,749	24,488,538
Income from investment properties – net	3,244,627	3,256,918	6,880,244	6,593,357
	14,340,244	15,721,603	28,105,993	31,081,895

Net insurance financial result:

For the six-month period ended 30 June 2025	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Insurance finance (expenses) / income from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(9,501,062)	(2,085,397)	(11,586,459)
Due to changes in interest rates and other financial assumptions	823,639	(415,622)	408,017
Total insurance finance expenses from insurance contracts issued	(8,677,423)	(2,501,019)	(11,178,442)
Represented by:			
Amounts recognised in profit or loss	(8,483,764)	(1,692,517)	(10,176,281)
Amounts recognised in OCI	(193,659)	(808,502)	(1,002,161)
Reinsurance finance income/(expenses) from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	54,542	1,593,205	1,647,747
Due to changes in interest rates and other financial assumptions	(76,749)	354,005	277,256
Total reinsurance finance (expense) / income from reinsurance contracts held	(22,207)	1,947,210	1,925,003
Represented by:			
Amounts recognised in profit or loss	43,150	1,899,821	1,942,971
Amounts recognised in OCI	(65,357)	47,389	(17,968)
Net insurance finance expenses and reinsurance finance (expense) / income	(8,699,630)	(553,809)	(9,253,439)
Represented by:			
Amounts recognised in profit or loss	(8,440,614)	207,304	(8,233,310)
Amounts recognised in OCI	(259,016)	(761,113)	(1,020,129)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

17 Investment income and net insurance financial result (continued)

For the six-month period ended 30 June 2024 (<i>restated</i>)	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Insurance finance (expenses) / income from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(11,564,638)	(2,002,815)	(13,567,453)
Due to changes in interest rates and other financial assumptions	14,459,014	281,943	14,740,957
Total insurance finance income / (expenses) from insurance contracts issued	2,894,376	(1,720,872)	1,173,504
Represented by:			
Amounts recognised in profit or loss	(8,488,938)	(1,533,113)	(10,022,051)
Amounts recognised in OCI	11,383,314	(187,759)	11,195,555
Reinsurance finance income/(expenses) from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	83,652	1,459,463	1,543,115
Due to changes in interest rates and other financial assumptions	(13,428)	(155,246)	(168,674)
Total reinsurance finance income from reinsurance contracts held	70,224	1,304,217	1,374,441
Represented by:			
Amounts recognised in profit or loss	39,503	131,030	170,533
Amounts recognised in OCI	30,721	1,173,187	1,203,908
Net insurance finance income / (expenses) and reinsurance finance income	2,964,600	(416,655)	2,547,945
Represented by:			
Amounts recognised in profit or loss	(8,449,435)	(1,402,083)	(9,851,518)
Amounts recognised in OCI	11,414,035	985,428	12,399,463

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

17 Investment income and net insurance financial result (continued)

For the three-month period ended 30 June 2025	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Insurance finance income/(expenses) from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(4,510,991)	(538,430)	(5,049,421)
Due to changes in interest rates and other financial assumptions	1,276,466	(350,245)	926,221
Total insurance finance expenses from insurance contracts issued	(3,234,525)	(888,675)	(4,123,200)
Represented by:			
Amounts recognised in profit or loss	(1,255,694)	(974,765)	(2,230,459)
Amounts recognised in OCI	(1,978,831)	86,090	(1,892,741)
Reinsurance finance income from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	12,858	415,545	428,403
Due to changes in interest rates and other financial assumptions	42,419	316,875	359,294
Total reinsurance finance income from reinsurance contracts held	55,277	732,420	787,697
Represented by:			
Amounts recognised in profit or loss	23,550	776,586	800,136
Amounts recognised in OCI	31,727	(44,166)	(12,439)
Net insurance finance expenses and reinsurance finance income	(3,179,248)	(156,255)	(3,335,503)
Represented by:			
Amounts recognised in profit or loss	(1,232,144)	(198,179)	(1,430,323)
Amounts recognised in OCI	(1,947,104)	41,924	(1,905,180)

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

17 Investment income and net insurance financial result (continued)

For the three-month period ended 30 June 2024 (<i>restated</i>)	Life and Medical (Unaudited) AED	General (Unaudited) AED	Total (Unaudited) AED
Insurance finance income/(expenses) from insurance contracts issued			
Interest accreted to insurance contracts using current financial assumptions	(5,655,226)	(396,541)	(6,051,767)
Due to changes in interest rates and other financial assumptions	9,882,707	168,607	10,051,314
Total insurance finance expenses from insurance contracts issued	4,227,481	(227,934)	3,999,547
Represented by:			
Amounts recognised in profit or loss	(1,241,858)	(168,676)	(1,410,534)
Amounts recognised in OCI	5,469,339	(59,258)	5,410,081
Reinsurance finance income/(expenses) from reinsurance contracts held			
Interest accreted to reinsurance contracts using current financial assumptions	24,876	300,329	325,205
Due to changes in interest rates and other financial assumptions	21,328	(243,685)	(222,357)
Total reinsurance finance income from reinsurance contracts held	46,204	56,644	102,848
Represented by:			
Amounts recognised in profit or loss	33,338	(1,049,782)	(1,016,444)
Amounts recognised in OCI	12,866	1,106,426	1,119,292
Net insurance finance expenses and reinsurance finance income	4,273,685	(171,290)	4,102,395
Represented by:			
Amounts recognised in profit or loss	(1,208,520)	(1,218,458)	(2,426,978)
Amounts recognised in OCI	5,482,205	1,047,168	6,529,373

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

18 Related party transactions

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

At the end of the reporting period, amounts due from related parties are as follows:

	(Unaudited) 30 June 2025 AED	(Audited) 31 December 2024 AED
<i>Key Management personnel and entities under common control</i>		
Due from related parties	2,130,449	3,448,439

Transactions

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

	For the six-month period ended 30 June (Unaudited) 2025 AED	2024 AED
<i>Key Management personnel and entities under common control</i>		
Premiums	1,129,687	2,701,138
Claims paid	64,081	520,725
Key management personnel remuneration	502,500	1,126,570

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

19 Segment information

For management purposes, the Company is organised into two business segments, general insurance and life and medical insurance. The general insurance segment comprises motor, marine, fire, engineering, liabilities and general accident. The life and medical insurance segment include long-term life, individual life, group life and medical. These segments are the basis on which the Company reports its primary segment information. Segment-wise information is disclosed below:

	For the six-month period ended 30 June 2025 (Unaudited)		
	Life and Medical AED	General insurance AED	Total AED
Insurance revenue	47,182,016	105,205,168	152,387,184
Insurance service expenses	(44,525,548)	(41,024,311)	(85,549,859)
Insurance service result before reinsurance contracts held	2,656,468	64,180,857	66,837,325
Net expense from reinsurance contracts held	(3,345,331)	(71,959,399)	(75,304,730)
Insurance service result	(688,863)	(7,778,542)	(8,467,405)
Income from financial investments	12,084,294	9,141,455	21,225,749
Income from investment properties - net	4,278,124	2,602,120	6,880,244
Total investment income	16,362,418	11,743,575	28,105,993
Insurance finance expense	(8,483,764)	(1,692,517)	(10,176,281)
Reinsurance finance income	43,150	1,899,821	1,942,971
Financial insurance result	(8,440,614)	207,304	(8,233,310)
Foreign currency exchange gain	119,011	13,499	132,510
Other income	180,070	1,268,613	1,448,683
Unattributable expenses	(593,176)	(593,176)	(1,186,352)
Profit for the period before tax	6,938,846	4,861,273	11,800,119

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Notes to the condensed interim financial information
For the period ended 30 June 2025

19 Segment information (continued)

	For the six-month period ended 30 June 2024 (Unaudited) <i>(restated)</i>		
	Life and Medical AED	General insurance AED	Total AED
Insurance revenue	54,252,644	104,214,236	158,466,880
Insurance service expenses	(51,216,110)	(58,169,209)	(109,385,319)
Insurance service result before reinsurance contracts held	3,036,534	46,045,027	49,081,561
Net expense from reinsurance contracts held	(2,962,368)	(58,720,012)	(61,682,380)
Insurance service result	74,166	(12,674,985)	(12,600,819)
Income from financial investments	13,959,659	10,528,879	24,488,538
Income from investment properties - net	4,254,054	2,339,303	6,593,357
Total investment income	18,213,713	12,868,182	31,081,895
Insurance finance expense	(8,488,938)	(1,533,113)	(10,022,051)
Reinsurance finance income	39,503	131,030	170,533
Financial insurance result	(8,449,435)	(1,402,083)	(9,851,518)
Foreign currency exchange gain	140,422	41,176	181,598
Other income	67,886	1,207,676	1,275,562
Unattributable expenses	(769,437)	(769,436)	(1,538,873)
Profit / (loss) for the period before tax	9,277,315	(729,470)	8,547,845

Alliance Insurance P.S.C.
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19 Segment information (continued)

	For the three-month period ended 30 June 2025 (Unaudited)		
	Life and Medical AED	General insurance AED	Total AED
Insurance revenue	22,943,286	51,921,699	74,864,985
Insurance service expenses	(21,957,325)	(18,385,463)	(40,342,788)
Insurance service result before reinsurance contracts held	985,961	33,536,236	34,522,197
Net expense from reinsurance contracts held	(2,237,770)	(40,513,506)	(42,751,276)
Insurance service result	(1,251,809)	(6,977,270)	(8,229,079)
Income from financial investments	6,005,477	5,090,140	11,095,617
Income from investment properties - net	2,078,944	1,165,683	3,244,627
Total investment income	8,084,421	6,255,823	14,340,244
Insurance finance expense	(1,255,694)	(974,765)	(2,230,459)
Reinsurance finance income	23,550	776,586	800,136
Financial insurance result	(1,232,144)	(198,179)	(1,430,323)
Foreign currency exchange gain / (loss)	59,142	(2,962)	56,180
Other income	147,446	512,360	659,806
Unattributable expenses	(272,984)	(272,983)	(545,967)
Profit / (loss) for the period before tax	5,534,072	(683,211)	4,850,861

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19 Segment information (continued)

	For the three-month period ended 30 June 2024 (Unaudited) <i>(restated)</i>		
	Life and Medical AED	General insurance AED	Total AED
Insurance revenue	28,863,993	53,671,717	82,535,710
Insurance service expenses	(22,959,536)	(22,071,854)	(45,031,390)
Insurance service result before reinsurance contracts held	5,904,457	31,599,863	37,504,320
Net expense from reinsurance contracts held	(1,647,664)	(41,039,818)	(42,687,482)
Insurance service result	4,256,793	(9,439,955)	(5,183,162)
Income from financial investments	7,044,166	5,420,519	12,464,685
Income from investment properties - net	2,119,272	1,137,646	3,256,918
Total investment income	9,163,438	6,558,165	15,721,603
Insurance finance expense	(1,241,858)	(168,676)	(1,410,534)
Reinsurance finance income / (expense)	33,338	(1,049,782)	(1,016,444)
Financial insurance result	(1,208,520)	(1,218,458)	(2,426,978)
Foreign currency exchange gain	68,185	6,828	75,013
Other income	13,880	535,490	549,370
Unattributable expenses	(289,177)	(289,175)	(578,352)
Profit / (loss) for the period before tax	12,004,599	(3,847,105)	8,157,494

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

	Life and Medical AED	General insurance AED	Total AED
As at 30 June 2025 (Unaudited)			
Total assets	596,725,619	683,828,837	1,280,554,456
Total equity	151,861,091	393,517,962	545,379,053
Total liabilities	444,864,528	290,310,875	735,175,403
As at 31 December 2024 (Audited)			
Total assets	619,980,998	660,946,013	1,280,927,011
Total equity	176,870,672	387,308,944	564,179,616
Total liabilities	443,110,326	273,637,069	716,747,395

Alliance Insurance P.S.C.
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Notes to the condensed interim financial information
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20 Contingent liabilities

	(Unaudited) 30 June 2025 AED	(Audited) 31 December 2024 AED
Letters of guarantee	<u>10,942,721</u>	<u>10,734,447</u>

Letters of guarantee includes AED 10 million (31 December 2024: AED 10 million) issued in favor of the CBUAE (formerly, the UAE Insurance Authority). The above guarantees were issued in the normal course of business. The Company, in common with the significant majority of insurers, is subject to litigation in the normal course of its business. The Company, based on independent legal advice, does not expect that the outcome of these court cases will have a material impact on the Company's financial performance or financial position.

21 Financial instruments

The fair values of financial assets are determined using similar valuation techniques and assumptions as used in the audited annual financial statements for the year ended 31 December 2024.

Financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

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

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table gives information about how the fair values of these financial assets are determined:

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable key input	Relationship of unobservable inputs to fair value
	30 June 2025 (Unaudited) AED	31 December 2024 (Audited) AED				
FVTOCI						
Quoted equity securities	<u>9,136,869</u>	<u>7,709,234</u>	Level 1	Quoted bid prices in an active market	None	N/A

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

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For the period ended 30 June 2025

22 Capital risk management

The solvency regulations identify the required Solvency Margin to be held in addition to insurance liabilities. The Solvency Margin (presented in the table below) must be maintained at all times throughout the period. The Company is subject to solvency regulations which it has complied with during the period. The Company has incorporated in its policies and procedures the necessary tests to ensure continuous and full compliance with such regulations. The table below summarises the Minimum Capital Requirement, Minimum Guarantee Fund and Solvency Capital Requirement of the Company and the total capital held to meet these required Solvency Margins. In accordance with Circular No. CBUAE/BSN/2022/923 of CBUAE dated 28 February 2022, the Company has disclosed the solvency position for the immediately preceding period as the current period solvency position is not yet finalised.

	(Unaudited) 31 March 2025 AED	(Audited) 31 December 2024 AED
Minimum Capital Requirement (MCR)	100,000,000	100,000,000
Solvency Capital Requirement (SCR)	178,074,811	170,763,137
Minimum Guarantee Fund (MGF)	59,358,270	56,921,046
Basic Own Funds	470,501,320	464,554,812
MCR Solvency Margin - Minimum Capital Requirement (Surplus)	370,501,320	364,554,812
SCR Solvency Margin - Solvency Capital Requirement (Surplus)	292,426,509	293,791,675
MGF Solvency Margin – Minimum Guarantee Fund (Surplus)	411,143,049	407,633,767

23 Subsequent events

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

24 Approval of the condensed interim financial information

This condensed interim financial information was approved by the Board of Directors and authorised for issue on 12 August 2025.

Alliance Insurance P.S.C.
Condensed interim financial information (Unaudited)

Notes to the condensed interim financial information
For the period ended 30 June 2025

25 Restatement due to change in accounting policy

During the year ended 31 December 2024, the Company changed its accounting policy to disaggregate (re)insurance finance income or expenses between profit or loss and other comprehensive income. This change was applied retrospectively, and the comparative figures for the six-month period ended 30 June 2024 have been restated accordingly.

The impact of this change on the previously reported figures for the six-month period ended 30 June 2024 is as follows:

	As previously reported AED	Effect of change in accounting policy AED	As restated AED
Condensed interim income statement			
Insurance finance income / (expense) for insurance contracts issued	1,173,504	(11,195,555)	(10,022,051)
Reinsurance finance income for reinsurance contracts held	1,374,441	(1,203,908)	170,533
Net insurance financial result	2,547,945	(12,399,463)	(9,851,518)
Profit for the period before tax	20,947,308	(12,399,463)	8,547,845
Income tax expense	(1,812,010)	1,115,952	(696,058)
Net profit for the year after tax	19,135,298	(11,283,511)	7,851,787
Basic and diluted earnings per share	19.14	(11.29)	7.85
Condensed interim statement of comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Insurance and reinsurance finance income – net of tax	-	11,283,511	11,283,511
Total other comprehensive (loss) / income for the period	(714,532)	11,283,511	10,568,979