

**Orient Insurance PJSC
and its subsidiaries**

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

31 MARCH 2025 (UNAUDITED)

Orient Insurance PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended 31 March 2025

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

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Orient Insurance PJSC (the “Company”) and its subsidiaries (together referred to as the “Group”) as at 31 March 2025 which comprise the interim condensed consolidated statement of financial position as at 31 March 2025 and the related interim condensed consolidated statement of profit or loss, comprehensive income, changes in equity and cash flows for the three month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard IAS 34 Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects in accordance with IAS 34, “Interim Financial Reporting”.

For Ernst & Young



Thodla Hari Gopal
Registration No: 689



12 May 2025

Dubai, United Arab Emirates

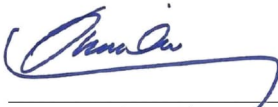
Orient Insurance PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025 (Unaudited)

		31 March 2025 AED'000' (Unaudited)	31 December 2024 AED'000' (Audited)
	<i>Notes</i>		
ASSETS			
Property and equipment		95,379	89,251
Intangible asset		8,715	4,996
Investments held at amortised cost	5	260,815	254,315
Investments carried at FVOCI	5	2,729,705	2,641,293
Investments carried at FVTPL	5	1,396,630	1,408,759
Insurance contract assets	11	224,768	159,223
Reinsurance contract assets	11	5,909,854	5,598,667
Other receivables and prepayments		164,280	99,696
Statutory deposits		164,530	148,396
Bank deposits	6	4,776,644	4,491,927
Cash and cash equivalents	6	651,665	766,376
Deferred tax asset		8,701	8,368
TOTAL ASSETS		16,391,686	15,671,267
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7	500,000	500,000
Statutory reserve		125,000	125,000
Legal reserve		263,794	250,000
Exceptional loss reserve		388,258	388,258
General reserve		1,880,980	1,888,255
Fair value investments reserve		1,385,313	1,311,534
Foreign currency translation reserve		(325,638)	(323,633)
Retained earnings		1,184,104	894,893
Reinsurance risk reserve		114,073	103,831
Capital reserve		17,910	17,910
Equity attributable to equity holders of the Parent		5,533,794	5,156,048
Non-controlling interests		57,680	51,281
TOTAL EQUITY		5,591,474	5,207,329
LIABILITIES			
Employees' end of service benefits		40,812	39,442
Other payables		364,894	280,275
Investment contract liabilities		1,012,309	1,008,155
Insurance contract liabilities	11	8,535,167	8,263,762
Reinsurance contract liabilities	11	700,066	760,749
Income tax payable	13	83,845	59,786
Deferred tax liability	13	63,119	51,769
TOTAL LIABILITIES		10,800,212	10,463,938
TOTAL EQUITY AND LIABILITIES		16,391,686	15,671,267

The interim condensed consolidated financial statements were authorised for issue and approved by the Board of Directors on 12 May 2025 and signed on their behalf by:



President - Orient Group

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months period ended 31 March

		<i>Three month period ended 31 March (Unaudited)</i>	
	<i>Notes</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
Insurance revenue	12	2,151,468	1,789,576
Insurance service expenses	11	(1,246,900)	(1,195,459)
Net expenses from reinsurance contracts held	11	(761,305)	(475,979)
INSURANCE SERVICE RESULTS		143,263	118,138
Fair value (loss)/gain on unit-linked investments		(68,330)	46,597
Change in fair value of investment contract liabilities		36,017	(13,360)
Interest income on investments not measured at FVTPL		74,864	69,846
Other investment income		140,349	156,165
NET INVESTMENT RESULTS		182,900	259,248
Insurance finance expense on insurance contracts issued		(38,234)	(55,761)
Reinsurance finance income on reinsurance contracts held		56,455	16,721
NET INSURANCE FINANCE RESULTS		18,221	(39,040)
NET INSURANCE AND INVESTMENT RESULTS		344,384	338,346
Other operating income		10,592	5,219
Other operating expenses		(19,308)	(13,221)
NET PROFIT BEFORE TAX		335,668	330,344
Income tax for the period	13	(22,966)	(29,869)
Deferred tax for the period	13	(108)	(131)
NET PROFIT AFTER TAX		312,594	300,344
Attributable to:			
Shareholders		305,972	294,467
Non-controlling interests		6,622	5,877
		312,594	300,344
Basic and diluted earnings per share (AED)	8	62.52	60.07

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended 31 March 2025 (Unaudited)

		<i>Three month period ended 31 March (Unaudited)</i>	
	<i>Notes</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
NET PROFIT AFTER TAX		312,594	300,344
OTHER COMPREHENSIVE INCOME			
<i>Other comprehensive loss that will be reclassified to profit or loss in subsequent periods</i>			
Exchange differences on translation of foreign operations		(2,561)	(65,925)
Deferred tax asset on exchange differences on translation of foreign operations		333	5,933
Other comprehensive loss that will be reclassified to profit or loss in subsequent periods, net of tax		(2,228)	(59,992)
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods</i>			
Net changes in fair value of investments at fair value through other comprehensive income (FVOCI)		84,804	476,069
Deferred tax liability on unrealized net gain on equity and debt Investments designated at FVOCI		(11,025)	(42,516)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods, net of tax		73,779	433,553
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		384,145	673,905
Attributable to:			
Shareholders		377,745	681,539
Non-controlling interests		6,400	(7,634)
		384,145	673,905

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2025 (Unaudited)

	<i>Attributable to equity holders of the Parent</i>												
	<i>Share capital</i>	<i>Statutory reserve</i>	<i>Legal reserve</i>	<i>Exceptional loss reserve</i>	<i>General reserve</i>	<i>Reinsurance risk reserve</i>	<i>Fair value investments reserve</i>	<i>Foreign currency translation reserve</i>	<i>Capital reserve</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Non-controlling interests</i>	<i>Total</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
As at 1 January 2025	500,000	125,000	250,000	388,258	1,888,255	103,831	1,311,534	(323,633)	17,910	894,893	5,156,048	51,281	5,207,329
Net profit for the period	-	-	-	-	-	-	-	-	-	305,972	305,972	6,622	312,594
Other comprehensive income for the period net of deferred tax	-	-	-	-	-	-	73,779	(2,005)	-	-	71,774	(223)	71,551
Transfer to reserves	-	-	13,794	-	(7,275)	10,242	-	-	-	(16,761)	-	-	-
As at 31 March 2025 (Unaudited)	500,000	125,000	263,794	388,258	1,880,980	114,073	1,385,313	(325,638)	17,910	1,184,104	5,533,794	57,680	5,591,474

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2025 (Unaudited)

	Attributable to equity holders of the Parent												
	Share capital AED '000	Statutory reserve AED '000	Legal reserve AED '000	Exceptional loss reserve AED '000	General reserve AED '000	Reinsurance risk reserve AED '000	Fair value investments reserve AED '000	Foreign currency translation reserve AED '000	Capital reserve AED '000	Retained earnings AED '000	Total AED '000	Non- controlling interests AED '000	Total AED '000
As at 1 January 2024	500,000	125,000	250,000	361,608	1,798,041	73,704	788,100	(255,705)	17,910	631,066	4,289,724	47,556	4,337,280
Net profit for the period	-	-	-	-	-	-	-	-	-	294,467	294,467	5,877	300,344
Other comprehensive income for the period, net of deferred tax	-	-	-	-	-	-	433,553	(52,358)	-	-	381,195	(7,634)	373,561
Transfer to reserves	-	-	-	-	215	8,829	-	-	-	(9,044)	-	-	-
As at 31 March 2024 (Unaudited)	500,000	125,000	250,000	361,608	1,798,256	82,533	1,221,653	(308,063)	17,910	916,489	4,965,386	45,799	5,011,185

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

Orient Insurance PJSC and its subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2025 (Unaudited)

		<i>Three month period ended 31 March (Unaudited)</i>	
	<i>Notes</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before tax for the period		335,668	330,344
Adjustment for:			
Depreciation for the period		4,996	2,617
Loss on sale of property and equipment		-	37
Realized gain on investment held at amortized costs		728	-
Unrealised gain on investments carried at FVTPL		(1,198)	(1,301)
Interest expense on lease liabilities		287	55
Interest income		(74,864)	(69,846)
Dividend income		(135,512)	(118,800)
Provision for employees end of service benefits		1,680	1,488
Cash flows from operating activities		131,785	144,594
Changes in insurance contract assets		(65,545)	(52,786)
Changes in reinsurance contract assets		(311,187)	(357,361)
Changes in other receivable and prepayments		(64,585)	(35,559)
Changes in insurance contract liabilities		271,405	278,603
Changes in reinsurance contract liabilities		(60,683)	(73,702)
Employees end of service benefits		(310)	180
Changes in other payables		83,914	5,366
Changes in deferred tax liability		11,350	36,704
Income tax paid		80	(173)
Net cash (used)/from operating activities		(3,776)	(54,134)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(26,044)	(611)
Lease asset		11,197	782
Interest income		74,864	69,846
Dividend income		135,512	118,800
Movement in net deposits with banks		(300,852)	19,654
Purchase of investments carried at amortized cost		(81,241)	(167,508)
Purchase of investments carried at FVTOCI		(34,993)	(46,946)
Purchase of investments carried at FVTPL		(191,463)	(327,045)
Proceeds of matured investments carried at amortized cost		74,742	240,961
Proceeds from sale/maturity of investments carried at FVTOCI		19,965	27,439
Proceeds from sale of investments carried at FVTPL		208,944	297,679
Net cash (used)/generated in from investing activities		(109,369)	233,051
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of principal portion of lease liabilities		995	(158)
Net cash generated/(used) in financing activities		995	(158)
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(112,150)	178,759
Cash and cash equivalents as at 1 January		766,376	493,414
Movement in foreign currency translation reserve net of tax		(2,561)	(65,925)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		651,665	606,248

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

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

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

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

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

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

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

Arab Orient Insurance Group

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

2 BASIS OF PREPARATION

The interim condensed consolidated financial statements are for the three month period ended 31 March 2025 and have been prepared in accordance with IAS 34 Interim Financial Reporting and are presented in United Arab Emirates Dirham (AED), which is also the functional currency of the Group. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The directors consider that there are no material uncertainties that may cast significant doubt over this assumption.

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

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

One amendment applies for the first time in 2025 but does not have an impact on the interim condensed consolidated financial statements of the Group.

Lack of exchangeability - Amendments to IAS 21

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

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

The amendments did not have a material impact on the interim condensed consolidated financial statements of the Group.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

Judgements and estimates

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

In preparing these interim condensed consolidated financial statements, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the Group's annual audited financial statements as at and for the year ended 31 December 2024 except estimates applied for calculation of tax liabilities arising from Pillar Two income taxes.

Taxes

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

5 INVESTMENT SECURITIES

	<i>Amortised cost AED'000</i>	<i>Fair value through OCI AED'000</i>	<i>Fair value through profit and loss AED'000</i>	<i>Total AED'000</i>
As at 31 March 2025 (Unaudited)				
Quoted equity securities in UAE	-	1,975,149	17,872	1,993,021
Quoted debt security in UAE	-	744,246	-	744,246
Unquoted equity securities outside UAE	-	1	-	1
Quoted equity securities in UAE held on behalf of policyholders' unit linked products	-	-	-	-
	-	-	73,930	73,930
Quoted equity securities outside UAE held on behalf of policyholders' unit linked products	-	-	1,304,828	1,304,828
Total equity securities	-	2,719,396	1,396,630	4,116,026
Total other invested assets	262,125	14,030	-	276,155
Total invested assets	262,125	2,733,426	1,396,630	4,392,181
Impairment	(1,310)	(3,721)	-	(5,031)
Total	260,815	2,729,705	1,396,630	4,387,150
	<i>Amortised cost AED'000</i>	<i>Fair value through OCI AED'000</i>	<i>Fair value through profit and loss AED'000</i>	<i>Total AED'000</i>
At 31 December 2024				
Quoted equity securities in UAE	-	1,898,394	16,674	1,915,068
Quoted debt security in UAE	-	734,093	-	734,093
Quoted equity securities outside UAE	-	1	-	1
Quoted equity securities in UAE held on behalf of policyholders' unit linked products	-	-	-	-
	-	-	77,902	77,902
Quoted equity securities outside UAE held on behalf of policyholders' unit linked products	-	-	1,314,183	1,314,183
Total equity and debt securities	-	2,632,488	1,408,759	4,041,247
Total other invested assets	255,593	13,124	-	268,717
Total invested assets	255,593	2,645,612	1,408,759	4,309,964
Impairment	(1,278)	(4,319)	-	(5,597)
Total	254,315	2,641,293	1,408,759	4,304,367

6 CASH AND CASH EQUIVALENTS

	31 March 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Bank balances and cash	458,071	733,644
Deposits with banks maturing within three months	193,594	32,732
Cash and cash equivalents	651,665	766,376
Bank deposits maturing after three months	4,803,149	4,517,192
Expected credit loss under IFRS 9	(26,505)	(25,265)
	5,428,309	5,258,303
	31 March 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Cash and bank balances:		
Inside UAE:	4,798,324	4,946,098
Outside UAE:	629,985	312,205
	5,428,309	5,258,303

Bank balances include AED 34,208 thousand (31 December 2024: AED 16,815 thousand) under lien against the bank guarantees.

Bank deposits held in UAE contribute to 95% of the total deposits for the group on which fixed interest rate range from 3.46% to 5% (2024: 3.46% to 5%)

7 SHARE CAPITAL

	31 March 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Authorised, issued and fully paid 5,000,000 shares of AED 100 each (31 December 2024: 5,000,000 shares of AED 100 each)	500,000	500,000

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

	<i>Three month period ended 31 March (Unaudited)</i>	
	<i>2025 AED '000</i>	<i>2024 AED '000</i>
Net profit after tax	312,594	300,344
Less: Attributable to non- controlling interests	(6,622)	(5,877)
Profit attributable to shareholders	305,972	294,467
Weighted average number of shares outstanding during the period	5,000,000	5,000,000
Earnings per share (AED)	62.52	60.07

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

9 DIVIDEND PAYABLE

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

10 RELATED PARTY TRANSACTIONS

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

Transactions with related parties for the three-month period ended are as follows:

	<i>three month period ended 31 March (Unaudited)</i>	
	<i>2025 AED'000' (Unaudited)</i>	<i>2024 AED'000' (Unaudited)</i>
Gross written premium	79,638	104,539
Administrative expenses	12,716	12,017
Cost of repair of vehicles related to claims	34,847	46,212
Interest income	2,605	669
Dividends received	134,334	117,110

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

	<i>31 March 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Investment securities	2,161,736	2,080,685
Deposits with banks	154,734	154,661
Amounts due from related parties	202,302	109,981
Amounts due to related parties	30,947	74,843

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES

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

	<i>31 March 2025 (Unaudited)</i>			<i>31 December 2024(Audited)</i>		
	<i>Assets AED'000</i>	<i>Liabilities AED'000</i>	<i>Net AED'000</i>	<i>Assets AED'000</i>	<i>Liabilities AED'000</i>	<i>Net AED'000</i>
Insurance contracts issued						
General, medical and group life (contracts measured under PAA)	179,198	(7,490,987)	(7,311,789)	113,548	(7,163,507)	(7,049,959)
Individual life business (contracts measured under GMM/VFA)	45,570	(1,044,180)	(998,610)	45,675	(1,100,255)	(1,054,580)
Total insurance contracts issued	224,768	(8,535,167)	(8,310,399)	159,223	(8,263,762)	(8,104,539)
Reinsurance contracts held						
General, medical and group life (contracts measured under PAA)	5,673,836	(662,318)	5,011,518	5,356,972	(727,149)	4,629,823
Individual life business (contracts measured under GMM/VFA)	236,018	(37,748)	198,270	241,695	(33,600)	208,095
Total reinsurance contracts issued	5,909,854	(700,066)	5,209,788	5,598,667	(760,749)	4,837,918

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of the liability of remaining coverage (LRC) & liability for incurred claims for insurance contracts (LIC) as at 31 March 2025

31 March 2025 (Unaudited)

Amounts in AED'000

	<i>Liability for Remaining coverage - PAA</i>		<i>Liability for Remaining Coverage - VFA</i>		<i>Liability for Remaining coverage - GMM</i>			<i>Liability for incurred claims -PAA</i>		
	<i>Excluding loss component</i>	<i>Loss component</i>	<i>Excluding loss component</i>	<i>Loss component</i>	<i>Excluding loss component</i>	<i>Loss component</i>	<i>LIC for Contracts not under PAA</i>	<i>Present value for future cashflows</i>	<i>Risk adjustment for non-financial risk</i>	<i>Total</i>
Opening Insurance Contract Assets	145,186	-	1,021	-	13,026	-	-	-	-	159,233
Opening Insurance Contract Liabilities	(2,227,598)	(5,996)	(530,119)	(2,460)	(304,947)	(12,668)	(49,299)	(4,904,186)	(226,489)	(8,263,762)
Net insurance contract liabilities as at 1 January 2025	(2,082,412)	(5,996)	(529,098)	(2,460)	(291,921)	(12,668)	(49,299)	(4,904,186)	(226,489)	(8,104,529)
Insurance revenue	2,130,284	-	17,225	-	3,959	-	-	-	-	2,151,468
Incurred claims and other Expenses	-	-	-	161	-	277	(93,601)	(1,295,247)	59,957	(1,328,453)
Amortization of insurance acquisition cashflows	(212,942)	-	(3,143)	-	(926)	-	-	-	-	(217,011)
Changes in liabilities for incurred Claims	-	-	-	-	-	-	83,528	261,709	(53,472)	291,765
Losses on onerous component and reversal of such losses	-	3,058	-	(50)	-	3,791	-	-	-	6,799
Insurance service expenses	(212,942)	3,058	(3,143)	111	(926)	4,068	(10,073)	(1,033,538)	6,485	(1,246,900)
Insurance service results	1,917,342	3,058	14,082	111	3,033	4,068	(10,073)	(1,033,538)	6,485	904,568
Insurance finance expenses recognized in profit or loss	-	-	35,353	(22)	(7,221)	(128)	-	(65,493)	(723)	(38,234)
Total changes to statement of profit or loss	1,917,342	3,058	49,435	89	(4,188)	3,940	(10,073)	(1,099,031)	5,762	866,334

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of the liability of remaining coverage (LRC) & liability for incurred claims for insurance contracts (LIC) as at 31 March 2025 (continued)

31 March 2025 (Unaudited)

Amounts in AED'000

	Liability for Remaining coverage - PAA		Liability for Remaining Coverage - VFA		Liability for Remaining coverage - GMM			Liability for incurred claims -PAA		
	Excluding loss component	Loss component	Excluding loss component	Loss component	Excl loss component	Loss component	LIC for Contracts not under PAA	Present value for future cashflows	Risk adjustment for non-financial risk	Total
Investment components	-	-	16,998	-	24,609	-	(41,607)	-	-	-
Cash flows										
Premiums received	(2,085,720)	-	(52,625)	-	(8,211)	-	-	-	-	(2,146,556)
Claims & other expenses paid	-	-	-	-	-	-	67,605	868,845	-	936,450
Acquisition cashflows paid	122,489	-	10,227	-	547	-	-	-	-	133,263
Total cashflows	(1,963,231)	-	(25,400)	-	16,945	-	25,998	868,845	-	(1,076,843)
Foreign currency translation difference	1,113	188	-	-	-	-	-	3,253	85	4,639
Net insurance contract liabilities as at 31 March 2025	(2,127,188)	(2,750)	(505,063)	(2,371)	(279,164)	(8,728)	(33,373)	(5,131,119)	(220,642)	(8,310,399)
Closing balance Insurance Contract assets	210,498	-	1,202	-	13,068	-	-	-	-	224,768
Closing balance Insurance Contract Liabilities	(2,337,686)	(2,750)	(506,265)	(2,371)	(292,232)	(8,728)	(33,374)	(5,131,119)	(220,642)	(8,535,167)
Net insurance contract liabilities as at 31 March 2025	(2,127,188)	(2,750)	(505,063)	(2,371)	(279,164)	(8,728)	(33,374)	(5,131,119)	(220,642)	(8,310,399)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

31 December 2024
Amounts in AED'000

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

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

31 December 2024
Amounts in AED'000

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

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

31 March 2025 (Unaudited)

	<i>Present value of future cashflows AED '000</i>	<i>Risk adjustment for non-financial risk AED '000</i>	<i>CSM AED '000</i>	<i>Total AED '000</i>
Opening balance of insurance contract assets	14,047	-	-	14,047
Opening balance of insurance contract liabilities	(789,942)	(9,297)	(100,254)	(899,493)
Net insurance contract liabilities as at 1 January 2025	(775,895)	(9,297)	(100,254)	(885,446)
<i>Changes that relate to current service</i>				
CSM recognised for the services provided	-	-	5,972	5,972
Change in the risk adjustment for non-financial risk for the risk expired	-	923	-	923
Experience adjustments	(15,259)	-	-	(15,259)
	(15,259)	923	5,972	(8,364)
<i>Changes that relate to future service</i>				
Contracts initially recognised in the period	14,256	(340)	(13,962)	(46)
Experience adjustments- premium and associated cashflows	(2,750)	(593)	7,049	3,706
	11,506	(933)	(6,913)	3,660
<i>Changes that relate to past service</i>				
Adjustments to liabilities for incurred claims	15,925	-	-	15,925
Insurance service results	12,172	(10)	(941)	11,221
Insurance finance expenses recognized in profit or loss	28,222	(37)	(208)	27,977
Total amounts recognised in profit or loss	40,394	(47)	(1,149)	39,198
Cash flows				
Premiums received	(60,837)	-	-	(60,837)
Claims and other expenses	67,604	-	-	67,604
Acquisition cashflows paid	10,776	-	-	10,776
Total cash flows	17,543	-	-	17,543
Net insurance contract liabilities as at 31 March 2025	(717,958)	(9,344)	(101,403)	(828,705)
Closing balance of insurance contract assets	14,270	-	-	14,270
Closing balance of insurance contract liabilities	(732,228)	(9,344)	(101,403)	(842,975)
Net insurance contract liabilities as at 31 March 2025	(717,958)	(9,344)	(101,403)	(828,705)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

<i>31 December 2024</i> <i>Amounts in AED '000</i>	<i>Present value of future cashflows AED '000</i>	<i>Risk adj. for non-financial risk AED '000</i>	<i>CSM AED '000</i>	<i>Total AED '000</i>
Opening insurance contract liabilities	(732,199)	(9,283)	(69,663)	(811,145)
Opening insurance contract assets	12,749	-	-	12,749
Net balance as at 1 January 2024	(719,450)	(9,283)	(69,663)	(798,396)
Changes that relate to current service				
CSM recognised for the services provided	-	-	22,249	22,249
Change in the risk adjustment for non-financial risk for the risk expired	-	2,526	-	2,526
Experience adjustments	32,717	-	-	32,717
	32,717	2,526	22,249	57,492
Changes that relate to future service				
Contracts initially recognised in the period	21,250	(1,363)	(20,382)	(495)
Changes in estimates that results in onerous contract losses or reversals of such losses	-	-	-	-
Changes in estimates that adjust the CSM	27,300	(1,017)	(31,537)	(5,254)
	48,550	(2,380)	(51,919)	(5,749)
Changes that relate to past service				
Adjustments to liabilities for incurred claims	(12,706)	-	-	(12,706)
	(12,706)	-	-	(12,706)
Insurance service result	68,561	146	(29,670)	39,037
Finance expenses from insurance contracts issued	(89,944)	(162)	(921)	(91,027)
Total amounts recognised in PL	(21,383)	(16)	(30,591)	(51,990)
Cash flows				
Premiums received	(251,590)	-	-	(251,590)
Claims and other directly attributable expenses paid	177,704	-	-	177,704
Insurance acquisition cash flows	38,824	-	-	38,824
Total cash flows	(35,062)	-	-	(35,062)
Net balance as at 31 December 2024	(775,895)	(9,297)	(100,254)	(885,446)
Closing insurance contract assets	14,047			14,047
Closing insurance contract liabilities	(789,942)	(9,297)	(100,254)	(899,493)
Net balance as at 31 December 2024	(775,895)	(9,297)	(100,254)	(885,446)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of asset for remaining coverage & asset for incurred claims for reinsurance contracts as at 31 March 2025

31 March 2025 Unaudited)

Amounts in AED'000

	Asset for Remaining coverage - PAA		Asset for Remaining Coverage - VFA		Asset for Remaining coverage - GMM			Asset for incurred claims -PAA		
	Excluding loss component	Loss component	Excluding loss component	Loss component	Excluding loss component	Loss component	AIC for Contracts not under PAA	Present value for future cashflows	Risk adjustment for non-financial risk	Total
Closing Reinsurance of Contract Assets	1,320,342	4,038	3,534	8,771	9,882	6,476	15,070	4,038,113	192,441	5,598,667
Closing Reinsurance of Contract Liabilities	(727,149)	-	(12,707)	-	(20,893)	-	-	-	-	(760,749)
Net reinsurance contract assets as at 1 January 2025	593,193	4,038	(9,173)	8,771	(11,011)	6,476	15,070	4,038,113	192,441	4,837,918
Reinsurance Expenses	(1,575,344)	(3,927)	(1,491)	-	(2,988)	-	-	-	-	(1,583,750)
Amounts recovered on incurred claims and other expenses	-	-	-	-	-	(181)	3,692	924,987	18,449	946,947
Amortization of insurance acquisition cashflows	92,946	-	-	-	-	-	-	-	-	92,946
Changes in asset for incurred claims	-	-	-	-	-	(6)	(590)	(195,527)	(23,763)	(219,886)
Recovery on losses on onerous contracts and reversal of such losses	-	2,089	(47)	548	(22)	(130)	-	-	-	2,438
Net expense from reinsurance contracts held	(1,482,398)	(1,838)	(1,538)	548	(3,010)	(317)	3,102	729,460	(5,314)	(761,305)
Reinsurance finance income recognized in profit or loss	-	-	(2)	-	(21)	85	-	55,748	645	56,455
Total changes to statement of profit or loss	(1,482,398)	(1,838)	(1,540)	548	(3,031)	(232)	3,102	785,208	(4,669)	(704,850)

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

Reconciliation of asset for remaining coverage & asset for incurred claims for reinsurance contracts as at 31 March 2025 (continued)

31 March 2025 (Unaudited)

Amounts in AED'000

	Asset for Remaining coverage - PAA		Asset for Remaining Coverage - VFA		Asset for Remaining coverage - GMM			Asset for incurred claims -PAA		
	Excl. loss component	Loss component	Excl. loss component	Loss component	Excl. loss component	Loss component	AIC for Contracts not under PAA	Present value for future cashflows	Risk adjustment for non-financial risk	Total
Cash flows										
Premiums paid	1,587,928	-	1,645	-	(1,269)	-	-	-	-	1,588,304
Claims & other expenses recovered	-	-	-	-	-	-	(2,047)	(369,226)	-	(371,273)
Insurance acquisition cashflows recovered	(137,906)	-	-	-	-	-	-	-	-	(137,906)
Total cashflows	1,450,022	-	1,645	-	(1,269)	-	(2,047)	(369,226)	-	1,079,125
Foreign currency translation difference	(1,586)	140	-	-	-	-	-	3,796	55	2,405
Net reinsurance contract assets as at 31 March 2025	562,403	2,060	(9,068)	9,319	(15,311)	6,243	16,125	4,450,299	187,718	5,209,788
Closing balance of Reinsurance Contract Assets	1,224,722	2,060	4,063	9,319	9,305	6,243	16,125	4,450,299	187,718	5,909,854
Closing balance of Reinsurance Contract Liabilities	(662,319)	-	(13,131)	-	(24,616)	-	-	-	-	(700,066)
Net reinsurance contract assets as at 31 March 2025	562,403	2,060	(9,068)	9,319	(15,311)	6,243	16,125	4,450,299	187,718	5,209,788

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

31 December 2024

Amounts in AED'000

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

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

31 December 2024
Amounts in AED'000

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

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

31 March 2025 (Unaudited)

	<i>Present value of future cashflows AED '000</i>	<i>Risk adjustment for non-financial risk AED '000</i>	<i>CSM AED '000</i>	<i>Total AED '000</i>
Opening balance of reinsurance contract assets	25,665	932	17,138	43,735
Opening balance of reinsurance contract liabilities	(33,600)	-	-	(33,600)
Net reinsurance contract liabilities as at 1 January 2025	(7,935)	932	17,138	10,135
Changes that relate to current service				
CSM recognised for the services provided	-	-	(2,521)	(2,521)
Change in the risk adjustment for non-financial risk for the risk expired	-	(50)	-	(50)
Experience adjustments-relating to insurance service expenses				
Experience adjustments-relating to incurred claims	(251)	-	-	(251)
	(251)	(50)	(2,521)	(2,822)
Changes that relate to future service				
Contracts initially recognised in the period	(702)	70	1,020	388
Changes in estimates that adjust the CSM	(197)	29	128	(40)
	(899)	99	1,148	348
Changes that relate to past service				
Adjustments to assets for incurred claims	1,256	-	-	1,256
	1,256	-	-	1,256
Net expense from reinsurance contracts held	106	49	(1,373)	(1,218)
Reinsurance finance income recognized in statement of profit or loss	(119)	11	169	61
Total amounts recognised in statement of profit or loss	(13)	60	(1,204)	(1,157)
Cash flows				
Premiums paid net of ceding commissions	375	-	-	375
Recoveries on claims and expenses paid	(2,047)	-	-	(2,047)
Total cash flows	(1,672)	-	-	(1,672)
Net reinsurance contract assets as at 31 March 2025	(9,620)	992	15,934	7,306
Closing balance of reinsurance contract assets	28,128	992	15,934	45,054
Closing balance of reinsurance contract liabilities	(37,748)	-	-	(37,748)
Net reinsurance contract assets as at 31 March 2025	(9,620)	992	15,934	7,306

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

11 INSURANCE AND REINSURANCE CONTRACT ASSETS AND LIABILITIES (continued)

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

<i>31 December 2024</i>	<i>Present value of future cashflows AED '000</i>	<i>Risk adj. for non-financial risk AED '000</i>	<i>CSM AED '000</i>	<i>Total AED '000</i>
Opening Reinsurance contract liabilities	16,466	333	14,143	30,942
Opening Reinsurance contract assets	(31,420)	-	-	(31,420)
Net balance as at 1 January 2024	(14,954)	333	14,143	(478)
Changes that relate to current service				
CSM recognised for the services provided	-	-	(2,607)	(2,607)
Change in the risk adjustment for non-financial risk for the risk expired	-	(70)	-	(70)
Experience adjustments-relating to insurance service expenses	(1,642)	-	-	(1,642)
	(1,642)	(70)	(2,607)	(4,319)
Changes that relate to future service				
Contracts initially recognised in the period	(2,185)	72	3,105	992
Changes in estimates that adjust the CSM	4,348	577	1,877	6,802
	2,163	649	4,982	7,794
Changes that relate to past service				
Adjustments to liabilities for incurred claims	1,711	-	-	1,711
	1,711	-	-	1,711
Net (expense)/ income from reinsurance contracts held	2,232	579	2,375	5,186
Finance income/ (expenses) from reinsurance contracts held	(127)	19	620	512
Total amounts recognised in PL	2,105	598	2,995	5,698
Cash flows				
Premiums paid net of ceding commissions	11,303	-	-	11,303
Recoveries from reinsurance	(6,389)	-	-	(6,389)
Total cash flows	4,914	-	-	4,914
Net balance as at 31 December 2024	(7,935)	932	17,138	10,135
Closing Reinsurance Contract Assets	25,665	932	17,138	43,735
Closing Reinsurance Contract Liabilities	(33,600)	-	-	(33,600)
Net balance as at 31 December 2024	(7,935)	932	17,138	10,135

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

12 INSURANCE REVENUE

For the three month period ended 31 March 2025 (Unaudited)

	<i>General AED'000</i>	<i>Life AED'000</i>	<i>Total AED'000</i>
<i>Contracts not measured under PAA</i>			
Expected incurred claims and other expenses after loss component allocation	-	10,224	10,224
Changes in risk adjustment for non-financial risk	-	923	923
Amortisation of contractual service margin	-	5,972	5,972
Allocation of the portion of premiums that relate to the recovery of insurance acquisition cash flows		4,065	4,065
	-	21,184	21,184
<i>Contracts measured under PAA</i>	2,046,774	83,510	2,130,284
Total insurance revenue	2,046,774	104,694	2,151,468

For the three month period ended 31 March 2024 (Unaudited)

	<i>General AED'000</i>	<i>Life AED'000</i>	<i>Total AED'000</i>
<i>Contracts not measured under PAA</i>			
Expected incurred claims and other expenses after loss component allocation	-	11,612	11,612
Changes in risk adjustment for non-financial risk	-	694	694
Amortisation of contractual service margin	-	6,454	6,454
Allocation of the portion of premiums that relate to the recovery of insurance acquisition cash flows	-	3,295	3,295
		22,055	22,055
<i>Contracts measured under PAA</i>	1,698,182	69,339	1,767,521
Total insurance revenue	1,698,182	91,394	1,789,576

13 INCOME TAX

The Group is in scope of Pillar Two legislation as it operates in jurisdictions that have enacted or substantively enacted Pillar Two legislation and its consolidated revenue exceeds Euro 750 million threshold. The introduction of Pillar 2 represents a significant development in international tax policy, aiming to ensure a fairer distribution of tax revenues among jurisdictions. Our financial statements reflect the impact of these measures, with increased tax expenses, recognition of deferred tax liabilities, and enhanced disclosures. The group remains committed to complying with the new rules and providing transparent reporting to our stakeholders. The tax expense for the three-month period ended 31 March 2025 is AED 22,966 thousand (31 March 2024: AED 29,869 thousand) driven by the introduction and adoption of Top-up Tax on Multinational Enterprises with effect from 01 January 2025.

Amount recognized in the interim condensed consolidated statement of profit and loss and other comprehensive income. The major components of income tax expense for the period ended 31 March 2025:

	<i>Three month period ended 31 March</i>	
	<i>2025 AED'000' (Unaudited)</i>	<i>2024 AED'000' (Unaudited)</i>
Statement of profit or loss		
<i>Current income tax expense:</i>		
Current income tax charge	22,966	29,869
Deferred income tax expense relating to origination and reversal of temporary differences	108	131

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

13 INCOME TAX (continued)

Statement of other comprehensive income

Deferred tax charge	10,692	36,583
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Deferred tax recorded in other comprehensive income is calculated by applying 13% (31 March 24: 9%) driven by the introduction and adoption of Top-up Tax on unrealised gain for investments carried at FVTOCI and foreign translation adjustments recorded in other comprehensive income.

Statement of financial position

	31 March 2025 AED'000' (Unaudited)	31 December 2024 AED'000' (Audited)
Income tax payable	83,845	59,786
Deferred tax liability	63,119	51,769
Deferred tax asset	8,701	8,368

Reconciliation of accounting profit to tax expense

	Three month period ended 31 March	
	2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)
Profit before tax	335,668	330,344
Effective tax rate	11.50%	14.21%
Income tax expense for the period	38,611	46,951
Adjustment for income tax on non-qualifying income	(15,645)	(17,082)
Current tax charge	22,966	29,869
Movement in deferred tax	108	131
Total tax expenses recognized in profit and loss	23,704	30,000

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

The tax expense for the period ended 31 March 2025 is AED 22,966 thousand (31 March 2024: AED 29,869 thousand) driven by the introduction and adoption of Top-up Tax on Multinational Enterprises with effect from 01 January 2025. The Effective Tax Rate ("ETR") is 11.50% (31 March 2024: 14.21%).

14 FINANCIAL RISK MANAGEMENT

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

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

15 CAPITAL RISK MANAGEMENT

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

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

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

	31 December 2024 AED'000 (Unaudited)
Minimum Capital Requirement (MCR)	100,000
Solvency Capital Requirement (SCR)	1,188,207
Minimum Guarantee Fund (MGF)	500,644
Basic Own Funds	2,490,626
MCR Solvency Margin Surplus	2,390,626
SCR Solvency Margin Surplus	1,302,419
MGF Solvency Margin Surplus	1,989,982

Above numbers are based on eforms and are unaudited and unreviewed.

16 SEGMENT INFORMATION

31 March 2025 (Unaudited)
Amounts in AED '000

	Non-Life insurance	Life insurance	Total
Segment assets	13,767,182	2,624,504	16,391,686
Segment liabilities	8,571,256	2,228,956	10,800,212

31 December 2024 (Audited)
Amounts in AED '000

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

Orient Insurance PJSC and its subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

16 SEGMENT INFORMATION (continued)

	<i>General insurance</i>		<i>Life insurance</i>		<i>Total</i>	
	<i>For the three month period ended 31 March</i>		<i>For the three month period ended 31 March</i>		<i>For the three month period ended 31 March</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2024</i>	<i>2023</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Insurance service result from insurance contracts issued	854,458	545,395	50,110	48,722	905,568	594,117
Net (expenses)/ income from reinsurance contracts held	(731,411)	(451,813)	(29,894)	(24,166)	(761,305)	(475,979)
Insurance service results	123,047	93,582	20,216	24,556	143,263	118,138
Net Investments results					182,900	259,248
Net insurance finance expenses					18,221	(39,040)
Other operating income					10,592	5,219
Other operating expenses					(19,308)	(13,221)
Profit before tax					335,668	330,344
Income tax expense					(22,966)	(29,869)
Deferred tax expense					(108)	(131)
Net profit for the period					312,594	300,344

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Unaudited)

17 CONTINGENT LIABILITIES

As at 31 March 2025, guarantees, other than those relating to claims for which provisions are held, amounting to AED 34,208 thousand (31 December 2024: AED 26,815 thousand), had been issued on behalf of the Group by its banker in the ordinary course of business.

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

18 SUBSEQUENT EVENTS

There have been no events subsequent to the interim consolidated statement of financial position date that would significantly affect the amounts reported in the interim condensed consolidated financial statements as at and for the three-month period ended 31 March 2025.

19 APPROVALS OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by Board of Directors and authorized for issue on 12 May 2025.