



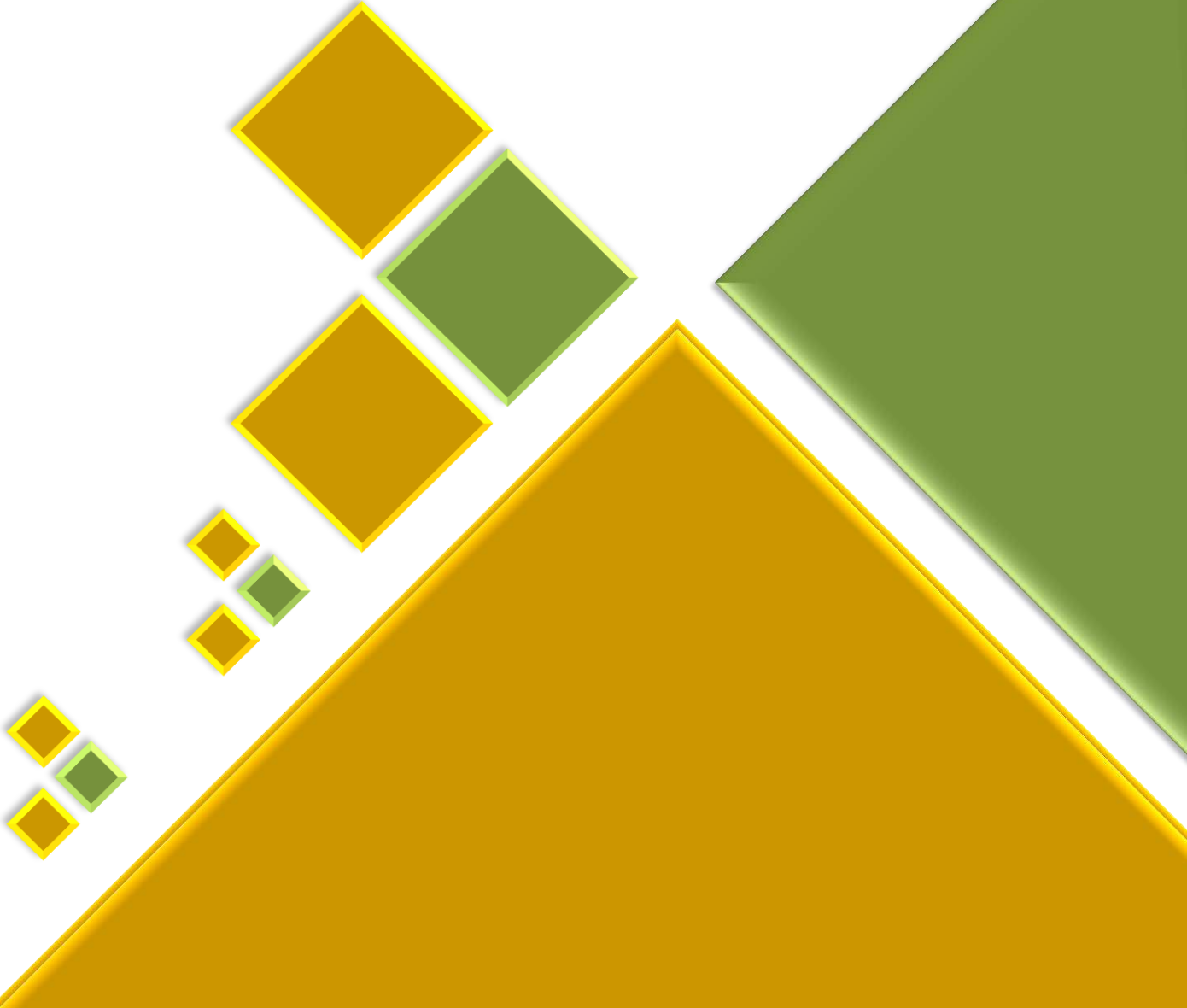
إتحاد الخليج الأهلية للتأمين التعاوني  
GULF UNION AL AHLIA COOPERATIVE INSURANCE

# Ordinary General Assembly Meeting

## Gulf Union Al Ahlia Cooperative Insurance

Tuesday 16/06/2026 - 01/01/1448 H

07:00 PM - Through Modern Technology



**Gulf Union Al Ahlia Cooperative Insurance Co. Board invites shareholders to attend the Ordinary general assembly meeting (first meeting) Through Modern Technology**

<p>The board of directors of Gulf Union Al Ahlia Cooperative Insurance Co. (“<b>GUAI</b>” or the “<b>Company</b>”) is pleased to invite its esteemed shareholders to attend and vote at its Ordinary general assembly meeting (the “<b>AGM</b>”) scheduled at (07:00 PM) on Tuesday 01/01/1448H (corresponding to 16/06/2026G) (first meeting), remotely by means of contemporary technology using the Tadawulaty platform.</p>	<p><b>Introduction</b></p>
<p>Through modern technology from the Company’s headquarters in Dammam (using the Tadawulaty).</p>	<p><b>City and Location of the Ordinary General Assembly's Meeting</b></p>
<p><a href="http://www.tadawulaty.com.sa">www.tadawulaty.com.sa</a></p>	<p><b>Hyperlink of the Meeting Location</b></p>
<p>01/01/1448H (corresponding to 16/06/2026G)</p>	<p><b>Date of the General Assembly's Meeting</b></p>
<p>07:00 PM</p>	<p><b>Time of the General Assembly's Meeting</b></p>
<p>Via modern technology means.</p>	<p><b>Methodology of Convening the General Assembly's Meeting</b></p>
<p>As per the rules and regulations, any shareholder registered in the Company’s shareholders register at the Securities Depository Center Company (Edaa) as of the end of trading session preceding the AGM has the right to attend the AGM.</p> <p>The right to register to attend the AGM ends at the time of convening the AGM. The attendees’ right to vote on the agenda items of the AGM ends upon the end of the vote tallying by the votes collection committee.</p>	<p><b>Attendance Eligibility, Registration Eligibility, and Voting End</b></p>
<p>According to Article (36) of the Company's bylaw, the Ordinary General Assembly meeting is valid if it is attended by shareholders representing at least a quarter of the company’s voting shares, and if the mandatory quorum is not available to hold this meeting, the second meeting will be held an hour after the end of the period specified for the first meeting, and the second meeting is valid whatever the number of shares represented in it.</p>	<p><b>Quorum for Convening the General Assembly's Meeting</b></p>
<p>Attached</p>	<p><b>Meeting Agenda</b></p>

Attached	Proxy Form
<p>Shareholders have the right to discuss the items listed on the agenda of the AGM and to pose questions during the AGM meeting.</p> <p>shareholders can vote remotely on the agenda items of the Ordinary General Assembly meeting through the (electronic voting) service by registering on the Tadawulaty website, noting that registration and voting on Tadawulaty services platform are available and provided free of charge for all shareholders using the following link:  <a href="http://www.tadawulaty.com.sa">www.tadawulaty.com.sa</a></p>	<p><b>The shareholder right in discussing the assembly agenda topics, asking questions, and exercising the voting right</b></p>
<p>Shareholders registered in Tadawulaty can vote remotely on the AGM's agenda items starting from [01:00 AM] of Friday 26/12/1447H (corresponding to 12/06/2026G) and until the end of the General assembly meeting. Registering and voting through Tadawulaty services is available free of charge to all shareholders through this link <a href="http://www.tadawulaty.com.sa">www.tadawulaty.com.sa</a>.</p>	<p><b>Details of the electronic voting on the Assembly's agenda</b></p>
<p>For any further inquiries regarding any of the AGM's agenda items, please contact the Investors Relations and Board Secretary during working hours on the phone number: 8003040077. or 0138358400.or through email on:  <a href="mailto:Investor.Relations@gulfunion-saudi.com">Investor.Relations@gulfunion-saudi.com</a></p>	<p><b>Method of Communication in Case of Any Enquiries</b></p>
Documents	Attached Documents

**Agenda – Ordinary General Assembly Meeting for Gulf Union Al Ahlia Cooperative Insurance**

**2026/06/16 - 07:00 PM – Through Modern Technology Means**

1. Viewing and discussing the Board of Directors' Report for the fiscal year ending on 31 /12/ 2025 G.
2. Voting on the Auditors Report on the company's accounts for the fiscal year ending on 31 /12/ 2025 G.
3. Viewing and discussing the Financial Statements for the fiscal year ending on 31 /12/ 2025 G.
4. Voting on the discharging the Board members from any liabilities for the fiscal year ending on 31 /12/ 2025 G.
5. Voting on appointing the Auditors for the Company from among the candidates based on the Audit Committee's recommendation. The appointed auditors shall examine, review and audit the second and third quarter and annual financial statements, of the fiscal year 2026 G, and the first quarter of the fiscal year 2027 G, and the determination of the auditors' fees.
6. Voting on the business and contracts that were entered into between the company and Rawabi Holding Group, in which the Chairman of the Board of Directors - Mr. Abdulaziz Ali Al-Turki has a direct interest in (where he holds the position of Chairman of the Board of Directors), noting that the transactions that took place during the fiscal year 2025 are (insurance policies for one year with a value of 33,759,147 Saudi riyals), there are no preferential terms in these deals and contracts.
7. Voting on the business and contracts that were entered into between the company and Al Muhaidib Group, in which a previous member of the Board of Directors - Mr. Majid Shatti Al Dhafiri has an indirect interest in (where he holds an executive position), noting that the transactions that took place during the fiscal year 2025 are (insurance policies for one year with a value of 8,472,038 Saudi Riyals), and there are no preferential terms in these deals and contracts.
8. Voting on the business and contracts that were entered into between the company and Al Muhaidib Group, in which a previous member of the Board of Directors - Mr. Majid Shatti Al Dhafiri has an indirect interest in (where he holds an executive position), noting that the transactions that took place during the fiscal year 2025 are (Rent Contracts for the Company's offices for one year with a value of 1,035,760 Saudi Riyals), and there are no preferential terms in these deals and contracts.
9. Voting on the Board of Directors' resolution to appoint Mr. Abdulaziz Abdullah Al Naim as an Independent board member starting from the date of his appointment on 01/04/2026 G. to complete the current Board term until the end of the current term on 16/12/2029 G., succeeding the former member Mr. Karim Mohammed Bachite – Independent Member. (CV of the appointed member is attached)



إتحاد الخليج الأهلية للتأمين التعاوني  
GULF UNION AL AHLIA COOPERATIVE INSURANCE

Proxy Form

نموذج التوكيل

Dear Shareholders

السادة المساهمين الكرام

The Proxy form is not available, as the Ordinary General Assembly will only be conducted through modern technology means.

نموذج التوكيل غير متاح حيث سيتم الاكتفاء بعقد الجمعية العامة العادية عبر وسائل التقنية الحديثة.

The company urges the shareholders to register on Tadawulaty service, knowing that voting is provided free of charge for all shareholders through the following link:

وتحث الشركة مساهمها بالتسجيل في موقع تداولاتي علماً بأن التسجيل والتصويت متاحاً ومجاناً لجميع المساهمين باستخدام الرابط التالي:

[www.tadawulaty.com.sa](http://www.tadawulaty.com.sa)

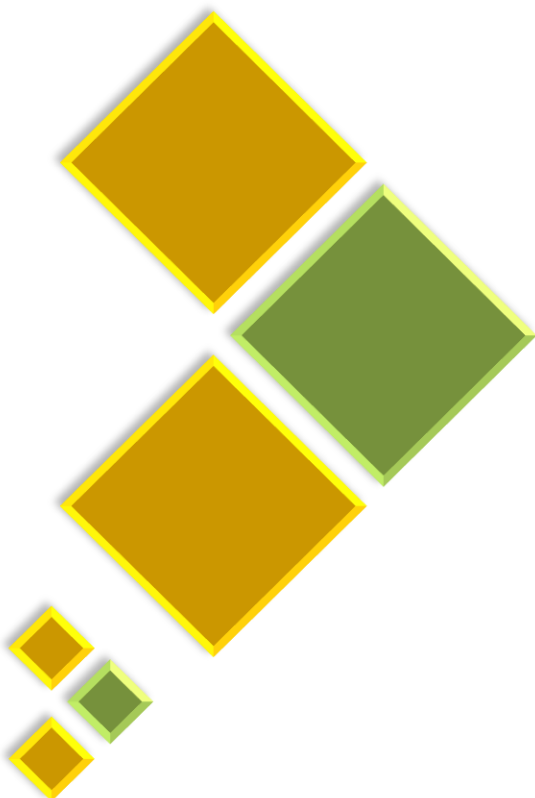
[www.tadawulaty.com.sa](http://www.tadawulaty.com.sa)

Gulf Union Al Ahlia Cooperative Insurance Company

شركة إتحاد الخليج الأهلية للتأمين التعاوني



# Audit Committee Report to the General Assembly for the year 2025.





إتحاد الخليج الأهلية للتأمين التعاوني  
GULF UNION AL AHLIA COOPERATIVE INSURANCE

شركة مساهمة عامة سعودية رأس المال المدفوع 458,949,280 ريال سعودي  
مرخص لها من هيئة التأمين بموجب الترخيص ت م ن/9/20079  
الرقم الموحد 7001532279، خاضعة لرقابة وإشراف هيئة التأمين

Saudi Public Joint Stock Company with paid capital 458,949,280 SAR  
Unified No. 7001532279, Insurance Authority License TMN/9/20079

The company is under the Oversight and supervision of Insurance Authority

Audit Committee

**Audit Committee Report to the General Assembly**  
**of Gulf Union Al Ahlia Cooperative Insurance Co.**  
**for Fiscal Year 2025**

## Esteemed Shareholders of Gulf Union Al Ahlia Cooperative Insurance Company

### Greetings,

### Introduction

Oversight is a very important function, as its objectives are represented in the evaluation and follow-up process, improving performance, detecting deviations, identifying opportunities and managing obstacles to achieving the company's goals. Internal control systems provide the company with the power of direction, integration and motivation, and therefore companies that enjoy good management are those companies that have effective Internal control systems, which would enhance their ability to implement their strategy.

The Audit Committee prepares this annual report, which aims to inform shareholders of the adequacy and effectiveness of the internal controls system, and to clarify the duties and responsibilities of the audit committee that it carried out during the year.

### First: Meetings of the Audit Committee

During the year 2025, the Audit Committee held nine (9) meetings, during which the committee discussed many topics that fall within the scope of the committee's work.

#### - Audit committee meetings Dates and Attendance record 2025

No	Name	Membership	1st Meeting 04/02/2025	2nd Meeting 02/03/2025	3rd Meeting 09/03/2025	4th Meeting 06/05/2025	5th Meeting 02/06/2025	6th Meeting 31/07/2025	7th Meeting 27/08/2025	8th Meeting 02/11/2025	9th Meeting 03/12/2025	Total # of Meetings attended
1	Ahmed Al Muzaini	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
2	Ibrahim Al-Muqhem	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
3	Abdullah Al Hajri	Member	✓	✓	✗	✓	✓	✓	✓	✓	✓	8

The average of audit committee meetings attendance during 2025 is 96%

### Second: The Scope of The Committee's Work for the Fiscal Year Ending December 31, 2025:

The scope of work, Tasks and Responsibilities carried out by the Audit Committee during the year 2025 included the following: -

- 1- Reviewing and approving the annual internal audit plan
- 2- Reviewing and approving the annual plan for compliance Department
- 3- Review anti-fraud policies & procedures and anti-fraud strategy and recommend them to the board of directors for approval



- 4- Review the company's policy for supervisory visits and regulatory requirements and recommend them to the board of directors for approval
- 5- Review the anti-money laundering policy and procedures and recommend them to the Board of Directors for approval
- 6- Review the whistle blowing policy (reporting violative practices) and recommend it to the Board of Directors for approval
- 7- Review the outsourcing policy and recommend it to the board of directors for approval
- 8- Review the money laundering risk assessment record and recommend it to the board of directors for approval
- 9- Review the compliance manual for the year 2025
- 10- Reviewing the charter and the manual of the Internal Audit Department for the year 2025
- 11- Review the reports of the Internal Audit Department issued during the year 2025 AD and follow up on the implementation of corrective measures for the observations contained therein
- 12- Reviewing the Legal cases reports
- 13- Reviewing the Compliance Department reports issued during the year 2025
- 14- Reviewing the structure and resources for the Compliance and Internal Audit departments.
- 15- Reviewing the Merger project Updates
- 16- Reviewing the policy of controls for advertising insurance products and services and recommending it to the board of directors.
- 17- Reviewing the anti-fraud policy in medical insurance and recommending it to the board of directors.
- 18- Review actuary reports and make recommendations to the board of directors.
- 19- Discussing the annual financial statements for the year 2024 and the preliminary financial statements for the 1st quarter, the 2nd quarter, and the 3rd quarter of the year 2025 AD with the external auditors, and making recommendations regarding them to the Board of Directors.
- 20- Discussing the observations of the external auditors
- 21- Studying and discussing the offers submitted by the external auditors, and recommending the appointment of external auditors to review and audit the financial statements of the second & third quarter and annual statements for the year 2025 and first quarter of 2026
- 22- Discussing the internal control system, ensuring the effectiveness of its procedures, and issuing relevant recommendations

### **Third: The Committee's Opinion on The Adequacy of The Internal Controls System:**

Based on the audit and review executed during the year 2025, the Audit Committee does not have any fundamental reservation on the internal control system, which may negatively affect the announced Company's results, within the scope of the Committee's work stipulated by the supervisory authorities.

The results of the annual audit showed the following:

- The audit committee was convinced of the effectiveness of the company's internal control system, as there wasn't any clear fundamental weakness in the company's internal control system.
- In addition, the internal control systems work effectively and allow to build a general perception of the risks that the company may face, and there was no fundamental breach of it during the fiscal year 2025 that requires disclosure.



- The necessary measures have been taken to evaluate and correct the procedures in the correct manner, that are related to the observations and recommendations of the Internal Control Departments, which were submitted to the Audit Committee after discussion.

Yours Sincerely

Chairman & Members of the Audit Committee – ended 16/12/2025

Ahmed Sulaiman Al Muzaini	Audit Committee Chairman	
Ibrahim Abdulaziz Al Mukhem	Audit Committee Member	
Abdullah Ali Al Hajri	Audit Committee Member	



## Agenda Item # 1



- 1- Viewing and discussing the Board of Directors' Report for the fiscal year ending on 31 /12/ 2025 G.



إتحاد الخليج الأهلية للتأمين التعاوني  
GULF UNION AL AHLIA COOPERATIVE INSURANCE



# Board of Directors Annual Report

31 December 2025

## Speech of Mr. Abdulaziz Ali Al-Turki Chairman of the Board of Directors



### Gentlemen / Esteemed shareholders of Gulf Union Al Ahlia Cooperative Insurance Company

The year 2025 was characterized by considerable challenges, as the Company encountered intensified competitive pressures within the market, in addition to a number of operational constraints that adversely impacted its financial performance during the year. Notwithstanding the concerted efforts of the Board of Directors and executive management to enhance operational efficiency and improve overall performance, the Company recorded losses for the year.

During the year, however, the Board of Directors and executive management undertook a series of strategic initiatives and corrective measures aimed at addressing prevailing challenges and strengthening the Company's financial and operational position. These initiatives included a comprehensive review of operational strategies, optimization of cost structures, enhancement of revenue streams, and the development of products and services aligned with evolving market demands and customer expectations.

Furthermore, the Company implemented several enhancements to its internal processes, including the automation and digital transformation of key operations across multiple departments. A number of electronic services were also launched to streamline processes and improve the overall customer experience.

On my own behalf and on behalf of the Board of Directors of Gulf Union Al Ahlia Cooperative Insurance Company, I am pleased to present the Board of Directors' Report for the financial year ended 31 December 2025. The report provides an overview of the Company's activities, the nature of its business, its performance, and the audited financial statements for the year, which have been reviewed by the Company's external auditors, PricewaterhouseCoopers (PwC) and Suleiman Abdullah Al-Kharashi & Co. (Al-Kharashi & Co.) Mazars.

The report further includes a summary of the key strategic decisions undertaken during 2025, the extent of the Company's compliance with Corporate Governance Regulations, information pertaining to the Board of Directors and its committees, disclosures relating to Board members, as well as a summary of the most significant developments and achievements, financial results, future outlook and strategic plans, the principal risks facing the Company and the mechanisms in place to manage them, in addition to operating frameworks in accordance with applicable regulations and other relevant disclosures required for comprehensive reporting.

In conclusion, we extend our sincere appreciation to our valued shareholders for their continued trust and support. We also express our gratitude to the members of the Board of Directors, the Board committees, the executive management team, and all employees for their dedication and commitment. We further thank our customers and reaffirm our commitment to delivering innovative insurance solutions that meet their evolving needs.

## Speech of Mr. Mesheal Ibrahim Al Shayea Chief Executive Officer

### Gentlemen / Esteemed shareholders

Amid a challenging operating environment characterized by economic fluctuations and intensifying market competition, the Company faced a number of challenges during the year that impacted its financial performance. Nevertheless, these challenges were addressed with a high degree of responsibility and transparency, with a clear focus on maintaining business continuity and strengthening the Company's ability to recover and achieve sustainable growth in the future.

In collaboration with the Board of Directors, executive management implemented a range of corrective and precautionary measures aimed at improving operational efficiency, optimizing cost structures, enhancing overall performance, and reinforcing the Company's financial sustainability. Particular emphasis was also placed on reassessing certain technical decisions, as well as developing and enhancing products and services in alignment with market needs and customer expectations.

Notwithstanding the results recorded during the period, we firmly believe that the organizational and operational measures undertaken represent a solid foundation for addressing current challenges and transitioning toward a more stable and efficient phase. We will continue, in the coming period, to implement our improvement and development plans, strengthen corporate governance practices, and invest in technologies and resources that support the growth of the Company's business.

Despite the challenges encountered, insurance revenues for the year 2025 increased to SAR 1,038 million, compared to SAR 804.8 million in the previous year, representing a growth of 29%. This increase was primarily driven by higher sales during the current year, which reached SAR 1,003 million compared to SAR 975.5 million in the previous year, reflecting a growth of 3%. This growth was supported by expansion across the Company's key segments, with health insurance sales reaching SAR 465.7 million compared to SAR 446.8 million in the previous year, an increase of 4%, while general insurance sales amounted to SAR 190.4 million compared to SAR 157.9 million in the previous year, representing a growth of 21%.

The increase in gross written premiums was driven by continuous monitoring and rigorous analysis of the insurance portfolio performance throughout the year, in addition to the measures implemented to address any deviations from the targeted objectives to which the Company remains committed.

Furthermore, the Company's investment portfolio delivered strong performance during 2025, generating investment income of SAR 37 million.

As part of Gulf Union Al Ahlia's strategic direction, the Company continues to advance its comprehensive digital transformation initiatives, which are expected to significantly enhance various aspects of its operations and positively impact customer experience. During 2025, several electronic services were launched to directly serve customers.

The Company's team remains committed to achieving its strategic objectives and sustaining its journey toward excellence, while continuously enhancing the quality of services provided to customers.

In conclusion, I would like to extend my sincere appreciation to our employees for their exceptional efforts throughout 2025. I also express my gratitude to our valued customers and shareholders for their continued trust and support. We look forward to achieving further accomplishments in 2026 and the years ahead.



"While the challenges before us are substantial, our resolve is unwavering.  
The future ahead is promising."



# Our Values

## About the company

Gulf Union Al Ahlia Cooperative Insurance Company is proud of its position and reputation in the Saudi market since its incorporation as a public joint stock company until today. The company has been able to establish itself and provide its services to many segments of Saudi society, and today it is one of the leading national companies in the Kingdom of Saudi Arabia.

## Our vision

To be the market leading insurance Company with a value proposition and reliability that is beyond excellence

## Our Mission

Establish Gulf Union Al Ahlia as a new age Digital Insurer with a Focus on Customer Experience, Cost Efficiency and Market leadership

## Our values and principles

Customer care, professionalism, integrity, teamwork, innovation, commitment to digital excellence

## Paragraph (1)

A description of the important plans and decisions of the company during the year 2025 and future expectations of the company's business:

### ● The most prominent decisions and events during the year 2025

- Approval of the annual financial statements for the year 2024.
- Approval of the annual report of the Board of Directors for the year 2024.
- Approval of the preliminary financial statements for the first, second, and third quarters of 2025.
- Recommendation to the General Assembly to appoint the company's external auditors: PricewaterhouseCoopers (PwC) and Suleiman Abdullah Al-Kharashi (Al-Kharashi & Partners Certified Accountants and Auditors, (Mazars)) to review the company's financial business for the second and third quarters and annual financial statements of the year 2025 and the first quarter of the year 2026 AD.
- Approval of transactions and contracts between the company and members of the Board of Directors, ensuring no preferential treatment, with the Board's approval to present them to the General Assembly at its upcoming meeting.
- Approval of the evaluation of the Board and committees for the year 2024.
- Approval of the annual plans for the committees emanating from the Board of Directors 2025.
- Approval of the By-Law aligning template issued through The Saudi Business Center - MOC
- Approval of the CEO's reports presented to the Board of Directors during 2025.
- Approval of the reports from the committees emanating from the Board of Directors for the year 2024.
- Approval of certain social participation initiatives for the company in 2025.
- Approval of the following regulations and documents, with recommendations for the General Assembly to approve and issue them, in accordance with the applicable legal procedures:
  - Corporate Governance Regulations
  - Charter and Work Regulations of the Audit Committee
  - Charter and Work Regulations of the Executive Committee
  - Charter and Work Regulations of the Investment Committee
  - Charter and Work Regulations of the Risk Management Committee
  - Charter and Work Regulations of the Nomination and Remuneration Committee
  - Remuneration regulation for the Board, Committees and executive management members
  - Approval of the policies, standards, and procedures for membership on the Board of Directors
- Approval of the amendments of the company By-Law
- Approval of the Reinsurance Strategy for 2025.
- Approval of the Financial Impact Analysis Report for Reinsurance Agreements for 2025.
- Approval of the Reinsurance Agreements Renewal Report for 2025.
- Approval of the Reinsurance Manual for 2025.
- Approval of the Actuarial Reports for Health Insurance and Motor Insurance Products.
- Approval of the appointment of the company's actuary.
- Approval of the termination of the merger agreement and the withdrawal of the offer made to the shareholders of the Gulf Company
- The Board of Directors' confirmation of the importance of the merger for achieving the company's vision and strategy.
- Approval of several company-specific policies and procedures.
- Approval of the Code of Conduct and Business Ethics
- Approval of the Profit Distribution policy
- Approval of the Disaster Recovery Budget
- Opening of the nomination period for the board of directors' membership for the next term
- Board of Directors' resolution approving the list of nominees for membership of the Board of Directors and submitting them to the Company's General Assembly for election

- Approval of the updated company organizational structure.
- Approval of the agenda and date for the General Assembly meetings held in 2025.
- Approval of the company's strategy and business plan for 2026-2028

**Main developments in operational activities:**

- Increase in the Gross Written Premiums for the year 2025
- Increase in the Net Profit of The Investment Results for the year 2025
- A gradual improvement in the company's financial results throughout the four quarters of 2025.
- Enhancing solvency margin percentage/level
- renewal of the company's Health Insurance Qualification for a period of one calendar year, beginning on 16/02/2025 and ending on 15/02/2026.
- termination of the Merger Agreement with Gulf General Cooperative Insurance Co. and the cancellation of the Merger proposal and its offer in this regard
- Confirmation that the Company's activities are in compliance with Shariah controls as issued by Shariyah Review Bureau in its capacity as the Company's Shariah advisor
- Renewing reinsurance agreements with a number of the best reinsurance companies.
- Contracting with SHMA Actuarial Services Company as the company's Appointed Actuary
- Obtaining ISO Certifications (9001 – 14001 – 45001):
  - ISO 9001:2015 – Quality Management System (QMS)
  - ISO 14001:2015 – Environmental Management System (EMS)
  - ISO 45001:2018 – Occupational Health and Safety Management System (OHSMS)
- Restructuring some departments within the company in line with the company's work requirements, and approving the new organizational structure
- Restructuring some of the company's points of sales to achieve the maximum possible benefit from those points of sales in order to support the company's sales
- Emphasis on the application and adherence to the company's credit policy.
- Continuation of Developing the information technology dept. and related systems in line with business requirements and digital transformation.
- Creating new operational DR site located in Riyadh city.
- Launching a number of electronic services that facilitate the customer journey
- Deployed new online services on company portal & Mobile application such as (Collection Offices services, Chatbot services)
- New IVR for call center & business WhatsApp
- Some integration projects with third parties
- Taking the necessary measures to implement cybersecurity requirements.
- Implanted some cybersecurity projects as per IA security framework such as PAM, MDM
- Organizing the various works of all the company's departments to achieve stability and organization of the operational procedures in order to achieve the company's goals.
- The company received a BBB+ insurance financial strength rating and an AA- (sau) national insurance financial strength rating, with a stable outlook for both ratings from Fitch Ratings.

### The company's strategy and future expectations

The company is constantly striving to achieve the best for all related parties, including shareholders and customers of the company, our responsibility towards achieving our ambitions is reflected in the company's future plans, the most important of which are listed below:

- Enhancing the electronic systems and digital transformation, which supports the company's strategy in achieving its objectives.
- Upgrading the company's services to better levels to reach a high rating within the insurance companies.
- Continuous upgrading and development of the Customer Care Department
- Increase Customer Satisfaction percentages
- Launching new products in order to fulfill the customer's insurance needs.
- Developing the company's information technology systems in a way that helps develop the business and serves all company departments.
- Increase the market share of the company
- Increasing the premiums from the online sales
- Continuous work to keep the level of the solvency margin in a good position.
- Generating strong profits that allow the company to reduce or eliminate its accumulated losses
- Developing the portfolios of some insurance products that characterize the company to achieve the highest possible profitability while preserving the diversification of the company's insurance portfolio.
- Maintaining the growth rates in the investment portfolios by applying the investment policy in terms of distributing these investments to achieve the highest possible return while maintaining the reduction of risks to the lowest level.
- Continuous upgrading and development of POS to be able to market all products and achieve the desired goals.
- Continuing with the plan to develop and train the employees internally and externally.
- Raise the Saudization rate according to the requirements of the regulatory authorities by employing a number of distinguished national cadres.

### Saudization:

- During 2025, the company worked to increase the Saudization rate by attracting qualified Saudi professionals and by developing and training Saudi youth to prepare them for careers in the insurance sector
- It is committed to implementing the list of "requirements for appointment to leadership positions" issued in the month of 7/2013 by SAMA, which was updated in September 2019.
- The Saudization percentage in 2025 was 86%, and the number of company employees reached 352 employees as of 12/31/2025, Work is underway to raise this percentage in line with the requirements of the regulatory authorities and as per the expected plans

### Training:

The company believes that training is an investment of guaranteed return, because the qualified human element is the basic capital for progress and success. Therefore, the company has put training at its top priority for all levels of its employees, Training includes on-the-job training programs in addition to continuous development by obtaining scientific qualifications from external bodies, for example but not limited to:

- **Corporate Governance:** Training of Board members and some of executive management members on governance and the latest updates in corporate governance
- **Fundamentals of insurance:** Learn about the concept of risk and the main principles that govern the relationship between risk and insurance, learn about insurance contracts, learn about practical insurance procedures and the most important insurance products for the protection of individuals and companies.
- **Insurance risk management:** risk management, risk culture and responsibilities related to risks, risk monitoring, risk culture, risk management manual (strategies and objectives).
- **Cooperative Training:** The company trained some of Saudi university students within the joint cooperative program with universities in the field of health informatics, finance and accounting.
- **Combating money laundering and terrorist financing - combating insurance fraud:** The training program, which most of the company's employees joined, and the program includes an overview of the subject of money laundering and terrorist financing, the difference between

money laundering and terrorist financing, the local regulatory environment and experiences International and best practices, the most important points of money laundering related to insurance, KYC procedures, penalties, suspicious activity detection and reporting. Insurance fraud, detection methods and reporting policy.

- Training plans for employees whose names are listed in the succession plan in order to prepare them to assume administrative positions in the future.
- **Specialized insurance programs:** some training programs in insurance underwriting, institutional risk management, excellence in customer service.
- **In addition to:** Programs that help develop skills in data analysis and report management.
- **Awareness programs:** The company has presented awareness programs in the field of cybersecurity and compliance principles.

## Paragraph (2)

### Description of the main types of activity of the company and its subsidiaries:

The main activity of the company in the Kingdom is practicing insurance business against risks in general and everything related to it in accordance with the provisions of the Cooperative Insurance Companies Control Law, the implementing regulations and their amendments, and all relevant regulations, and it covers the following types:

- Medical insurance (Group / visitor visas / tourist visas / special residence)
- Motor insurance (comprehensive vehicle insurance / third-party liability motor insurance, i.e. compulsory third-party insurance and cross-port vehicle insurance).
- Group Life protection.
- Travel insurance.
- Other branches of insurance or general insurance, which are:
  - Transport insurance (includes air, sea and land transport insurance).
  - Marine insurance
  - property insurance / personal accident insurance / employers liability insurance / professional liability insurance / general or product liability insurance / theft insurance / dishonesty insurance / money insurance / fire insurance / engineering insurance / .....

Also, there are no subsidiaries companies of the company inside or outside the Kingdom.

The company conducts its activities in the Kingdom of Saudi Arabia through the following branches licensed by the relevant authorities:

- Headquarter - Damman
- The regional office of the Eastern Region - Damman
- The regional office for the Western Region - Jeddah
- The regional office for the central region - Riyadh
- In addition to (18) points of sale distributed in most of regions of the Kingdom.

### Paragraph (3) – Analysis of the company’s performance during 2025 (thousand Saudi Riyal):

	Medical Insurance	Motor Insurance	Other Insurance	Total
Gross Written Premium	465,694	346,836	190,496	<b>1,003,026</b>
Insurance revenue	484,678	383,590	169,929	<b>1,038,197</b>
Insurance service expenses	479,440	476,367	107,459	<b>1,063,266</b>
Insurance service result	(4,978)	(100,539)	19,759	<b>(85,758)</b>

Below is the performance of the operational Segments during the past five years 2021 – 2025 (thousand Saudi Riyal)

Segment	2025	2024	2023	2022	2021
<b>Medical</b>	465,694	446,782	261,273	230,345	260,260
<b>Motor</b>	346,836	370,837	302,032	224,157	229,690
<b>Others</b>	190,496	157,930	127,616	93,929	82,573
<b>Total</b>	<b>1,003,026</b>	<b>975,549</b>	<b>690,921</b>	<b>548,431</b>	<b>572,523</b>

Below are the operational segments and their contributions in the company's results year 2025 (thousand Saudi Riyal):

Segment	Gross Written Premiums	Percentage
<b>Medical</b>	465,694	<b>%46</b>
<b>Motor</b>	346,836	<b>%35</b>
<b>Others</b>	190,496	<b>%19</b>
<b>Total</b>	<b>1,003,026</b>	<b>100%</b>

#### Paragraph (4)

Summary of company assets, liabilities and financial results for the past five years:

#### 01 - Comparison of Assets and liabilities for the years 2025 - 2024 - 2023 – 2022 (thousand Saudi Riyal)

As per the International Financial standard 17 (IFRS17)

Item	2025	2024	2023	2022
<b>Insurance Operations assets</b>				
Cash and cash equivalents	52,678	53,370	14,500	28,586
Term deposits	0	0	0	-
Investments:	127,591	132,498	209,180	133,974
Reinsurance contract assets	77,409	61,691	50,363	74,727
Other assets	82,225	100,595	89,524	84,556
<b>Total Operations Assets</b>	<b>339,903</b>	<b>348,154</b>	<b>363,567</b>	<b>321,843</b>
<b>Liabilities and accumulated surplus of insurance operations</b>				
Insurance contract liabilities	525,091	499,820	437,356	427,798
Other liabilities	49,153	47,315	49,221	53,600
<b>Total Operations LIABILITIES</b>	<b>574,244</b>	<b>547,135</b>	<b>486,577</b>	<b>481,398</b>
<b>Shareholders' operations assets</b>				
Cash and equivalents	153	604	40,614	71,733
Term deposits	304,123	400,168	342,773	160,086
Investments:	367,403	304,142	169,035	228,360
Other assets	145,503	142,909	151,237	153,518

Total Shareholders' assets	817,182	847,824	703,659	613,697
Shareholders' operations liabilities	15,080	20,650	31,380	37,780
<b>Shareholders' equity</b>	567,762	628,192	549,269	416,362
Total liabilities and shareholders' equity	582,842	648,843	580,649	454,142
Total Assets	1,157,086	1,195,978	1,067,226	935,540
TOTAL LIABILITIES	1,157,086	1,195,978	1,067,226	935,540

## 02 - Comparison of Assets and liabilities for the years 2018 – 2022 (thousand Saudi Riyal)

As per the International Financial standard 4 (IFRS4)

Item	2022	2021	2020	2019	2018
<b>Insurance Operations assets</b>					
Cash and equivalents	28,586	40,667	67,852	64,394	20,601
Premiums and debit insurance balances	183,530	166,749	214,880	192,173	130,076
Other assets	456,560	570,691	560,024	297,813	310,712
	<b>668,676</b>	<b>778,107</b>	<b>842,756</b>	<b>554,381</b>	<b>461,389</b>
<b>Liabilities and accumulated surplus of insurance operations</b>					
Accounts payable	92,417	130,976	87,488	51,005	52,917
Technical reserves	509,424	587,186	662,524	440,372	360,618
Other payable	79,482	59,944	92,744	63,004	47,854
	<b>668,676</b>	<b>778,106</b>	<b>842,756</b>	<b>554,381</b>	<b>461,389</b>
<b>Shareholders' operations assets</b>					
Cash and equivalents	71,736	74,315	111,656	2,468	1,524
Other assets	461,308	291,591	350,829	149,520	177,699
	<b>533,044</b>	<b>365,906</b>	<b>462,485</b>	<b>151,989</b>	<b>179,223</b>
<b>Shareholders' operations liabilities</b>	<b>185,805</b>	<b>234,917</b>	<b>193,825</b>	<b>6,723</b>	<b>9,123</b>
<b>Shareholders' equity</b>	<b>347,239</b>	<b>130,990</b>	<b>268,660</b>	<b>145,265</b>	<b>170,099</b>
<b>Total liabilities and shareholders' equity</b>	<b>533,044</b>	<b>365,907</b>	<b>462,485</b>	<b>151,989</b>	<b>179,223</b>

## Summary of company results for the year 2025, with comparison to the past five years 2018 – 2022 (thousand Saudi Riyal)

### ■ company results 2025 - 2024 - 2023 – 2022 (IFRS17)

	2025	2024	2023	2022
<b>Insurance revenue</b>	1,038,197	804,752	624,483	506,772
<b>Insurance service expenses</b>	(1,063,266)	717,397	(510,820)	-499,470
<b>Net expense from reinsurance contracts</b>	<b>(60,689)</b>	<b>(56,755)</b>	<b>(44,992)</b>	<b>-22,347</b>

Insurance service result from Company's directly written business	(85,758)	30,600	68,671	-15,045
Share of surplus from insurance pool	1,759	8,291	35,730	14,961
Net investment income	37,031	31,667	37,876	9,893
Net insurance and investment result	(50,256)	115,403	146,561	15,502
Other operating expenses	(22,571)	(19,418)	(19,523)	-32,512
Total profit (loss) for the year before zakat and income tax	(72,827)	51,552	127,038	-16,606
Total profit (loss) for the year after zakat and income tax	(83,627)	43,646	125,038	-18,606

- company results 2018 – 2022 (IFRS4)

	2022	2021	2020	2019	2018
Gross written premium	548,431	572,523	557,123	558,796	328,002
Net earned premiums	413,931	569,833	434,884	326,855	167,996
Total revenues	434,828	594,397	459,429	353,815	196,846
Net claims and other benefits paid	390,086	546,230	(345,468)	(232,739)	(105,371)
Net claims and other benefits incurred	313,877	564,308	(370,147)	(293,649)	(99,660)
Total underwriting costs and expenses, net	358,825	642,148	(410,407)	(316,818)	(128,961)
Net Underwriting Income	76,002	(47,751)	49,022	36,997	67,885
Total other operating expenses, net	71,172	(90,366)	(88,386)	(67,735)	(61,553)
Surplus attributed to the insurance operations	2,757	-	-	-	5,821
Total loss for the year attributable to the shareholders	2,524	(140,117)	(45,577)	(29,143)	5,750

Paragraph (5)

Geographical distribution of Written Premiums of the company and its subsidiaries:

Below table shows insurance operations Gross Written Premium generated within the kingdom for the company during the year ended 31 December 2025 which amounted to SR 1.003 Billion.

- The company does not have any subsidiaries:

Regions results (Thousand Saudi riyals)

Year	Total Gross Written Premium				Total
	Eastern Region	Central Region	Western Region	Retail Business	
2025	354,025	252,751	43,922	352,328	1,003,026

#### Paragraph (6)

Whether external auditor report contains any Reservations on the financial statements and the reason behind them and any relevant information:

The company confirms that there has been no Reservations on its 2025 financial statements by external auditors (PricewaterhouseCoopers Certified Public accountants PwC and Sulaiman Abdullah Al-Kharashi (Al-Kharashi & Partners, Certified Accountants and Auditors (Mazars)

#### Paragraph (7)

Summary of major differences in the operations results of the company as compared to last year or any forecast published (thousand Saudi Riyal):

	2025	2024	Change in amount	Change %
Insurance Revenue	1,038,197	804,752	233,445	29%
Insurance service expenses	1,063,266	717,397	345,869	48%
Net insurance Results	83,999	38,891	45,108	116%
Net Profit (loss) of policyholders Capital Investment	5,629	1,317	4,312	327%
Profit (Loss) Insurance Operations Minus Policy Holders Investments Revenues (Operations Results)	(109,858)	19,885	(129,743)	-652%
Net Profit (loss) of Shareholders Capital Investment	31,401	30,350	1,051	3%
Net Profit (Loss) before Zakat	(72,827)	51,552	(124,379)	-241%
Total Comprehensive Income	(57,757)	78,707	(136,464)	-173%
Total Share Holders Equity (after Deducting Minority Equity)	568,943	626,699	(57,756)	-9%
Profit (Loss) per Share	(1.82)	0.95	(3)	-292%

#### Paragraph (8)

Clarifying whether there are deviations from accounting standards endorsed by Saudi Organization for Certified Public Accountants

The financial statements have been prepared in accordance with International Financial Reporting Standards approved in the Kingdom of Saudi Arabia. There is no difference from the accounting standards approved by the Saudi Organization for Certified Public Accountants (SOCPA).

#### Paragraph (9)

Company policy for dividend distribution:

The company's policy of dividend distribution is based on what is stipulated in the Company's By-Law, as follows:

- Dividend distribution:

Dividend shall be distributed after deducting all overheads and other costs and forming the reserves required to face doubtful debts, losses of investments and contingent liabilities the board of directors deems necessary in accordance with the provisions of the cooperative insurance companies control law, provisions issued by Insurance Authority in accordance with the following controls:

1. Set aside Zakat and income tax established by regulation.
2. Set aside (20%) of the net profits to form a statutory reserve. The ordinary general assembly may discontinue such setting aside when the total reserves amount to (100%) of the paid capital.
3. Upon determination net profits per share, the ordinary general assembly may decide to form other reserves to the extent achieving the interest of the company or ensuring the distribution of fixed profits as possible among shareholders
4. Distribute the company annual net profits determined by it after deducting all overheads and other costs and forming the reserves required to face doubtful debts, losses of investments and contingent liabilities the board of directors deems necessary in accordance with the provisions of the cooperative insurance companies control law, provisions issued by Insurance Authority. From the remaining profits after deduction the reserves established under relevant regulations and Zakat a ratio of not less than 5% of the paid capital for distribution among shareholders as proposed by the board of directors and decided by the general assembly. If the remaining ratio of profits due to shareholders is not sufficient to pay such ratio, shareholders may not request payment thereof in the following year or years and the general assembly may not decide to distribute a ratio of profits that is in excess of what has been proposed by the board of directors.

- **Entitlement of profit:**

A shareholder shall be entitled to its share of the profits in accordance with the resolution of the general assembly issued in this regard. The resolution shall indicate the entitlement date and distribution date. The entitlement to profits shall be for the shareholders registered in the registers of shareholders at the end of the day specified for entitlement. The company shall notify Capital Market Authority without delay of any decisions for the distribution of profits or recommending same. The profits to be distributed among shareholders shall be paid in the place and on the date determined by the board of directors in accordance with the instructions issued by the competent authority subject to the prior written approval of Insurance Authority.

- **Distribution of the surplus to policyholders:**

The company has adopted the policy issued by the Insurance Authority to distribute the surplus to the policyholders, and the company is obligated to inform its policyholders of everything related to distributing the surplus as necessary after obtaining the necessary approvals from the regulatory authorities.

As per the company's By-Law, Accounts of an insurance operation shall be independent from the statement of income of shareholders as follows:

**First: Accounts of insurance operations:**

- 1- An account shall be allocated to earned premiums, and reinsurance and other commissions.
- 2- An account shall be allocated to reimbursements incurred by the company.
- 3- At the end of each year, the total surplus representing the difference between the total premiums and reimbursements less marketing, administrative and operational charges and the required technical provisions according to the instructions regulating same shall be determined.
- 4- The determination of the net surplus shall be as follows: The return on investment relating to those insured shall be added to the total surplus set forth in paragraph (3) above or deducted therefrom after calculating the returns due to them and deducting the realized charges due from them.
- 5- Distribution of net surplus: It shall be made either by distributing (10%) ten percent to those insured directly or by decreasing their premiums for the following year. (90%) ninety percent shall be carried forward to the income account of shareholders.

**Second: Shareholders' income statement:**

- 1- The shareholders' profits from the return on the investment of the shareholders' funds shall be according to the rules developed by the board of directors.
- 2- The shareholders' shares of the net surplus shall be as set forth in paragraph (5) of the item first of this article,

- **Profit ratios that were distributed to shareholders during the different periods of the fiscal year 2025 in addition to the ratio of profits proposed to be distributed at the end of the fiscal year, and the total of these profits:**

- No dividends were distributed to shareholders for the year 2025, as the company did not record profits for the year 2025.

## Paragraph (10)

### Board of Directors

The role of the Board of Directors is to set the plans, policies, strategies, and main objectives of the company, supervise their implementation and review them periodically, ensure the availability of the human and financial resources necessary to achieve them, establish systems and controls for internal control and general supervision over them, and prepare and approve the report of the Board of Directors before publication.

Without prejudice to the powers established for the General Assembly, the Board of Directors has been given in the articles of association of the company the broadest powers to manage the company in a way that achieves its objectives, and it also has the power, within the limits of its competence, to delegate one or more of its members or others to carry out a specific work or business - in a manner that does not conflict With the relevant laws and regulations.

#### 10-1 Board of Directors duties and responsibilities

Here we explain the most important duties and responsibilities of the Board of Directors, which include, but are not limited to, the following:

- **Election of Chairman and Deputy Chairman, Appointment and Supervision of Executive Management**
  - The Board have the power to appoint the Executive Management; determine their compensation; prescribe their duties; dismiss any appointee and generally to exercise supervision over the management of the Company.
  - The Board elect the Chairman, Deputy Chairman, and appoint a Secretary (upon the No-Objection of Insurance Authority).
  - The Board fix compensation for the Executive Management of the Company, upon the recommendation of the Nomination and Remuneration Committee.
  - The Board shall also determine the appropriate level of remunerations of the board members (As per the Remuneration policy approved by the board and the general assembly).
- **Identification and Management of Risks**
  - The Board will identify and review with Executive management the main risks faces the Company.
  - The Board will ensure the implementation of appropriate systems and take the necessary measures to manage these risks.
  - The Board may delegate one or more committees to receive Management's assessment and responses to these risks and make recommendations and reports to the Board.
- **Adoption of a Strategic Planning Process**
  - Each fiscal year the Board will meet with the Executive Management regarding the strategic planning for the Company in which future trends, opportunities and risks are jointly identified.
  - The Board will provide suggestions to develop the strategy of the Company. The Board will review and approve the overall business strategy for the Company, which is developed by the Executive Management.
- **Evaluation and Approval of Financial Decisions**
  - The Board will review the financial and operational results of the Company. The Board will review, evaluate and approve major resource allocations and capital investments. The Board will review, evaluate and approve the Company's budget and forecasts.
- **Development of Corporate Governance Guidelines**
  - The Board will develop the Company's overall approach to corporate governance and review periodically the Company's corporate objectives and policies relating to social responsibility.
- **Executive Management Evaluation and Succession**
  - The Board shall monitor the performance of the Executive Management and the extent to which it has achieved the objectives and purposes of the Company.
  - The Board will conduct an annual review of the CEO's performance in order to ensure that the CEO is providing the best leadership for the Company in the long- and short-term.

- **Oversight over the Executive Management**

- The Board shall form the Executive Management of the Company, regulate its operating procedures, monitor and oversee it and ensure that it performs the duties assigned to it, and to achieve this, the Board shall:
- Develop the necessary administrative and financial policies.
- Ensure that the Executive Management operates in accordance with the policies approved by the Board.
- Select and appoint the Chief Executive Officer of the Company, and oversee his/her work.
- Appoint the manager of the internal audit unit or department, or the internal auditor and dismiss him and determine his remuneration, if any.
- Convene periodic meetings with the Executive Management to explore the work progress and any obstacles and problems in connection therewith, and review and discuss the important information in respect of the Company's business.
- Develop standards for the performance of the Executive Management consistent with the objectives and strategy of the Company.
- Review and evaluate the performance of the Executive Management; and
- Develop succession plans for the management of the Company.

## 10-2 Composition of the board of directors and classification of its members

- The Board of Directors consists of seven (7) members elected by the General assembly that was held on 30/11/2022 for three years started on 17/12/2022 and ended on 16/12/2025.
- The necessary procedures for nomination to the Board of Directors for the new term were undertaken in accordance with the relevant regulatory requirements.
- The Company's Ordinary General Assembly, held on 10 December 2025, elected seven (7) members to the Board of Directors for the new term, which commenced on 17 December 2025 and will continue for a period of four calendar years ending on 16 December 2029

The table below presents the names of the Board members, their membership classification, and their membership in the committees emanating from the Board of Directors. It also includes the members of the committees from outside the Board for both the previous term that ended on 16 December 2025 and the new term that commenced on 17 December 2025 :-

### First : The Previous Board Term Started on 17/12/2022 and Ended on 16/12/2025

Board Members			
No.	Name	Membership (Executive / Non-Executive / Independent)	Committee membership
1	<b>Abdulaziz Ali Al-Turki</b>	• Chairman of the Board of Directors - Non-Executive	• Chairman of the Executive Committee
2	<b>Zaid Abdullah Al Yaesh</b>	• Vice Chairman – independent	• Member of the Executive Committee • Member of the Investment Committee
3	<b>Munir Hashem Al-Borno</b>	• Board Member - Executive	• Member of the Executive Committee • Member of the Investment Committee
4	<b>Ahmed Sulaiman Al Mazaini</b>	• Board Member - independent	• Chairman of the Audit Committee • Chairman of the Nomination and Remuneration Committee
5	<b>Majid Shatti Al Dhafri</b>	• Board Member - non-executive	• Member of the Risk Management Committee • Member of the Nomination and Remuneration Committee
6	<b>Abdullah Abdulwahab</b>	• Board Member - independent	• Chairman of the Risk Management Committee • Member of the Nomination and Remuneration Committee
7	<b>Mohammed Al Katheer</b>	• Board Member - independent	• Member of the Risk Management Committee
Committees Members from outside the Board and their membership classification			
No.	Name	Membership (Executive / Non-Executive / Independent)	Committee membership
1	<b>Abdulaziz Al-Naim</b>	Committee members from outside the board (independent)	• Chairman of the Investment Committee
2	<b>Abdullah Al Hajri</b>	Committee members from outside the board (independent)	• Member of the Audit Committee
3	<b>Ibrahim Abdulaziz Al-Muqhem</b>	Committee members from outside the board (independent)	• Member of the Audit Committee
4	<b>Meshaal Ibrahim Al Shayea</b>	Committee members from outside the board (Executive)	• Member of the Investment Committee

Second : The Current / New Board Term Started on 17/12/2025 and Ending on 16/12/2029

Board Members		
No.	Name	Membership (Executive / Non-Executive / Independent)
1	Abdulaziz Ali Al-Turki	• Board Member - Non-Executive
2	Munir Hashem Al-Borno	• Board Member - Non-Executive
3	Meshaal Ibrahim Al Shayea	• Board Member - Executive
4	Mohannad Saud Al Fayez	• Board Member - independent
5	Ahmed Mohammed Al Salem	• Board Member - independent
6	Zaid Saad Al Katheiry	• Board Member - independent
7	Karim Mohammed Bachite	• Board Member - independent

- As of 31 December 2025, BOD Chairman or Vice Chairman not yet been elected, and the Board committees for the new Board term had not yet been constituted.

10-3 Board meetings held during the year 2025, their dates and attendance records for each meeting

NO	Name	Attendance Record					Total # of Meetings During 2025	The number of meetings attended by the member from the date of the last general assembly meeting held on 10/12/2025
		1 <sup>st</sup> Meeting 12/02/2025	2 <sup>nd</sup> Meeting 24/03/2025	3 <sup>rd</sup> Meeting 01/05/2025	4 <sup>th</sup> Meeting 26/08/2025	5 <sup>th</sup> Meeting 09/12/2025		
1	Abdulaziz Ali Al-Turki	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	0
2	Zaid Abdullah Al Yaeeesh	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	0
3	Munir Hashem Al-Borno	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	0
4	Ahmed Sulaiman Al Mazaini	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	0
5	Majid Shatti Al Dhafri	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	0
6	Abdullah Abdulwahab	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	0
7	Mohammed Al Katheer	✓ Attend	✓ Attend	✓ Attend	✓ Attend	✓ Attend	5	0

- As of 31 December 2025, no Board meetings were held in the new Board Term

10-4 Board members list of Names, committees' members, and executive management, and their current and previous positions, qualifications and experiences

First: Previous Board Term

a. Board of Directors - for the Previous Term ended on 16/12/2025

No	Name	Membership in Gulf Union Al Ahlia	Current jobs	previous jobs	Qualifications	Experiences
1	Abdulaziz Ali Al-Turki	<ul style="list-style-type: none"> <li>Chairman of the Board of Directors</li> <li>Chairman of the Executive Committee</li> </ul>	<ul style="list-style-type: none"> <li>Board of Directors Chairman for Gulf Union Holding Company - Bahrain</li> <li>Board of Directors Chairman for RAWABI Holding Company.</li> </ul>	<ul style="list-style-type: none"> <li>Member of the Board of Trustees of the Lebanese American University</li> <li>Executive Committee Member for Gulf Union Cooperative Insurance Company</li> <li>Member of the Board of Directors of Nama Shipping Services Ltd.</li> <li>Board of Directors Chairman of Nama Shipping Services Ltd.</li> <li>Board of Directors Chairman for NESMA &amp; Partners Contracting Company Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Honorary Doctorate in Humanitarian Literature - Lebanese American University in Lebanon</li> <li>Master of Business Administration from George Washington University - USA</li> <li>Bachelor Degree in Business Administration from George Washington University - USA</li> </ul>	52 years
2	Zaid Abdullah Al Yaeeesh	<ul style="list-style-type: none"> <li>Deputy Chairman</li> <li>Executive Committee Member</li> <li>Member of the Investment Committee</li> </ul>	<ul style="list-style-type: none"> <li>CEO of AlTayseer Arabian Company</li> <li>Chairman of the Finance Committee-Asharqia Chamber</li> <li>Certified arbitrator from the commercial center- Arab Gulf Cooperation Council</li> </ul>	<ul style="list-style-type: none"> <li>CEO of AlJabr Finance Company</li> <li>CEO of Samnan holding Company</li> <li>CEO of AlAhsa Development Company</li> <li>Chairman of the Audit Committee- AL SAGR Insurance Company</li> <li>Member of the Board of Directors and Chairman of the Nomination and</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Accounting- King Faisal University Saudi Arabia</li> <li>Master of Islamic Finance-</li> </ul>	36 years

				<p>Remuneration Committee- Arbaah capital</p> <ul style="list-style-type: none"> <li>Member of the Board of Directors and Chairman of the Audit Committee – Global beverage Company</li> <li>Chairman of the General Committee of Finance Companies the Saudi Central Bank</li> <li>Chairman of the Executive Committee of Finance Companies of the Saudi Central Bank</li> <li>Member of the Board of Director Tamweel Aloula</li> <li>Member of the Board of Directors- AlJeri Holding Company</li> </ul>		
3	<b>Munir Hashem Al-Borno</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> <li>Member of the Executive Committee</li> <li>Member of the Investment Committee</li> </ul>	<ul style="list-style-type: none"> <li>Board Member at Gulf Union Al Ahlia Cooperative Insurance</li> <li>Chairman of the Board of Directors of Gulf House Consulting</li> <li>Vice-Chairman and Investment Committee Member at Gulf Union insurance and reinsurance Co. (Bahrain)</li> </ul>	<ul style="list-style-type: none"> <li>CEO and Managing Director at Gulf Union Al Ahlia Cooperative Insurance</li> <li>Partner and Director of Arthur Andersen - Bahrain and the Eastern Province.</li> <li>Member of the Board of Directors and Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee of Abdullah Al-Khudary Sons Company</li> <li>Audit Committee Member at Gulf Union insurance and reinsurance Co. (Bahrain)</li> <li>Member of the Risk Committee of GU</li> <li>Board Advisor at Gulf Union Al Ahlia Cooperative Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Commerce from Al-Azhar University - Egypt</li> <li>Postgraduate AMP studies from Harford University - America</li> <li>Member of the Arab Society of Certified Accountants</li> <li>Fellow of the Arab Society of Certified Accountants</li> </ul>	54 years
4	<b>Ahmed Sulaiman Al Mazaini</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> <li>Chairman of the Audit Committee</li> <li>Chairman of the Nomination and Remuneration Committee</li> </ul>	<ul style="list-style-type: none"> <li>CEO of RSEEM Investment Company</li> <li>Founder &amp; Senior Consultant - Quality &amp; Time Management Consulting</li> <li>Executive Consultant for the Chairman – MADR investment Company</li> <li>Director of Masaha Development for Information Technology Company.</li> <li>Independent Board member and Chairman of Audit Committee -Banan Real Estate Company</li> <li>Board member Chairman of the Audit committee-IT Belt Company</li> <li>Audit committee Chairman - Saudi Ceramic Company</li> <li>Audit committee Chairman - Abdullah bin Abdulaziz Al-Rajhi and Sons Holding Company</li> <li>Board Chairman - Al Qassim Investment Holding Co</li> <li>Independent Board member – Tunisian Saudi Bank</li> </ul>	<ul style="list-style-type: none"> <li>CEO - MADR Investment Company</li> <li>Board member &amp; Managing Director- Saudi Fisheries Company</li> <li>CEO - Mulkia Investment Company</li> <li>Executive Vice President- Manafa Holding Company</li> <li>Executive Vice President- Saudi Automotive Services and Equipment Company</li> <li>Board member- Thakher Development Company</li> <li>Board member and Chairman of Audit Committee- Harkat Production Company</li> <li>Board member and Chairman of Audit Committee- ADD group of companies to set up and organize exhibitions</li> <li>Board member and Chairman of Audit- Al-Jasriah Finance Company</li> <li>Board member- Al-Ahlia Cooperative Insurance Company</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's degree in Business Administration and Economics - King Saud University</li> <li>Master's degree in Business Administration- AL Faisal University</li> <li>CIA, CGAP</li> <li>CMA</li> <li>CME1, CME2, CME3</li> </ul>	25 years
5	<b>Majid Shatti Al Dhafri</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> <li>Member of the Risk Management Committee</li> <li>Member of the Nomination &amp; Remuneration Committee</li> </ul>	<ul style="list-style-type: none"> <li>Insurance Manager in Al Muhaidib Group</li> <li>Board member at Gulf Union Holding (Bahrain)</li> </ul>	<ul style="list-style-type: none"> <li>Head of document issuance at Tawuniya Insurance Company</li> <li>Business Development Manager at SABB Bank</li> <li>Regional Director for the Eastern Province, Wafa Insurance Company</li> <li>Regional Director of Corporate Insurance at the Arab Bank</li> <li>Board Member at Gulf Union insurance and reinsurance Co. (Bahrain)</li> </ul>	<ul style="list-style-type: none"> <li>Insurance Diploma from the Institute of Public Administration in Riyadh</li> </ul>	24 years

6	<b>Abdullah Abdulrahman Abdulwahab</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> <li>Chairman of the Risk Management Committee</li> <li>Member of the Nomination and Remuneration Committee</li> </ul>	<ul style="list-style-type: none"> <li>GM and Board Member of MK Cable Management</li> <li>GM and Board Member of Innovative Insulators Company</li> </ul>	<ul style="list-style-type: none"> <li>Production Manager - MK Cable Management</li> <li>Production Manager - Astra Polymers</li> <li>Management consultancy – KPMG</li> <li>Project Manager - DHL Supply Chain</li> <li>Business Development Manager at Rezayat Group</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor science Industrial Engineering - Wichita State University</li> </ul>	21 years
7	<b>Mohammed Abdulrahman Al Katheer</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> <li>Member of the Risk Management Committee</li> </ul>	<ul style="list-style-type: none"> <li>Chief Financial officer - Tamweel Aloula</li> <li>Member of the Board of Directors-ALHsa Amusement &amp; Tourism Co.</li> </ul>	<ul style="list-style-type: none"> <li>Supervisor – Deloitte</li> <li>Member of the Board of Directors-ALHsa Amusement &amp; Tourism Co.</li> <li>Chief governance officer - AlKifah Holding</li> <li>Member of the of the Audit Committee – Tamweel Aloula</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Accounting - King Faisal University</li> </ul>	15 years

## Second: Current Board Term

### b. Board of Directors - for the Current Term started on 17/12/2025

No	Name	Membership in Gulf Union Al Ahlia	Current jobs	previous jobs	Qualifications	Experiences
1	<b>Abdulaziz Ali Al-Turki</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Board of Directors Chairman for Gulf Union Holding Company - Bahrain</li> <li>Board of Directors Chairman for RAWABI Holding Company.</li> <li>Board Member – Gulf Union Al Ahlia Cooperative Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Member of the Board of Trustees of the Lebanese American University</li> <li>Executive Committee Member for Gulf Union Cooperative Insurance Company</li> <li>Member of the Board of Directors of Nama Shipping Services Ltd.</li> <li>Board of Directors Chairman of Nama Shipping Services Ltd.</li> <li>Board of Directors Chairman for NESMA &amp; Partners Contracting Company Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Honorary Doctorate in Humanitarian Literature - Lebanese American University in Lebanon</li> <li>Master of Business Administration from George Washington University - USA</li> <li>Bachelor Degree in Business Administration from George Washington University - USA</li> </ul>	52 years
2	<b>Munir Hashem Al-Borno</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Board Member at Gulf Union Al Ahlia Cooperative Insurance</li> <li>Chairman of the Board of Directors of Gulf House Consulting</li> <li>Vice-Chairman and Investment Committee Member at Gulf Union insurance and reinsurance Co. (Bahrain)</li> </ul>	<ul style="list-style-type: none"> <li>CEO and Managing Director at Gulf Union Al Ahlia Cooperative Insurance</li> <li>Partner and Director of Arthur Andersen - Bahrain and the Eastern Province.</li> <li>Member of the Board of Directors and Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee of Abdullah Al-Khudary Sons Company</li> <li>Audit Committee Member at Gulf Union insurance and reinsurance Co. (Bahrain)</li> <li>Member of the Risk Committee of GU Board Advisor at Gulf Union Al Ahlia Cooperative Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Commerce from Al-Azhar University - Egypt</li> <li>Postgraduate AMP studies from Harford University - America</li> <li>Member of the Arab Society of Certified Accountants</li> <li>Fellow of the Arab Society of Certified Accountants</li> </ul>	54 years
3	<b>Mesheal Ibrahim Al Shayea</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>CEO at Gulf Union Al Ahlia Cooperative Insurance Co.</li> <li>Board Member – Gulf Union Al Ahlia Cooperative Insurance</li> <li>Board Member at Gulf Union Insurance and Reinsurance – Bahrain</li> <li>Saudi Insurance - Executive Committee Member</li> <li>Saudi Insurance - Product Development Sub-Committee Chairman</li> </ul>	<ul style="list-style-type: none"> <li>Deputy CEO at Gulf Union Al Ahlia Cooperative Insurance</li> <li>CEO at Al Ahlia Cooperative Insurance</li> <li>Board Member – Executive committee member – Investment committee member at Al Ahlia Cooperative Insurance</li> <li>CEO at SALAMA cooperative Insurance</li> <li>Chief Distribution Officer at Al Rajhi Cooperative Insurance</li> <li>Vice President for Sales and Marketing at Al Ahlia Cooperative Insurance</li> <li>Central Region Manager at Malath Cooperative Insurance</li> <li>Key Accounts Manager – Tawuniya Cooperative Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor Degree in Economy - Imam Mohammed Bin Saud University Saudi Arabia</li> <li>Insurance Foundation Certificate – Chartered Insurance Institute London</li> </ul>	26 years

4	<b>Mohannad Saud Al Fayez</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Board Member – Gulf Union Al Ahlia Cooperative Insurance</li> <li>Managing Partner and Head of Capital Development – Merak Capital</li> <li>Co-Founder and Vice Chairman of the Board – Fajr Mediterranean Healthcare Investment Company</li> </ul>	<ul style="list-style-type: none"> <li>Chief Sales &amp; Operations Officer –Elite Insurance Brokerage Company</li> <li>Regional Sales Manager – Elite Insurance Brokerage Company</li> <li>Central Region Manager – Elite Insurance Brokerage Company</li> <li>Financial Analyst – Arab Pipes Company</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Business Administration – Lebanese American University, Lebanon</li> <li>International Certificate in Wealth and Investment Management</li> <li>Introduction to Securities and Investment</li> <li>Professional Examination in Fundamentals of Insurance</li> </ul>	14 years
5	<b>Ahmed Mohammed Al Salem</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Vice President of Shared Services – Arabsat</li> <li>Board Member – Gulf Union Al Ahlia Cooperative Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Chief Executive Officer – Shared Services Division, Jabal Shifa Development Company (wholly owned by the Public Investment Fund)</li> <li>Chief Executive Officer – Shared Services Division, Saudi Cargo Airlines Company</li> <li>Chief Executive Officer – Shared Services Division, Al Seif Engineers &amp; Contractors Company</li> <li>General Manager – Human Resources, Ministry of Defense</li> <li>Chief Executive Officer – Corporate Services, Salik Company (wholly owned by the Public Investment Fund)</li> <li>Chief Executive Officer – Human Resources, Saudi Food &amp; Drug Authority</li> <li>General Manager – Workforce, Mobily</li> <li>Executive Vice President – STC Kuwait</li> <li>Director – Internal Audit Department, Saudi Telecom Company (STC)</li> </ul>	<ul style="list-style-type: none"> <li>Master of Business Administration (MBA) – King Fahd University of Petroleum &amp; Minerals</li> <li>Professional Fellowship in Fraud Prevention</li> <li>Member – Saudi Association of Internal Auditors</li> </ul>	29 years
6	<b>Zaid Saad Al Katheiry</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Board Member – Gulf Union Al Ahlia Cooperative Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Acting Contracts Department Manager – Aramco Gulf Operations</li> <li>Head of Procurement &amp; Tendering – Aramco Gulf Operations</li> <li>Program Manager &amp; Head of Onshore Projects – Aramco Gulf Operations</li> <li>Program Manager – Educational Services Development Company</li> <li>Project Manager – Aramco Gulf Operations</li> <li>Deputy Project Manager – Aramco Gulf Operations</li> <li>Maintenance Engineer – Aramco Gulf Operations</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Electrical Engineering – King Saud University</li> </ul>	28 years
7	<b>Karim Mohammed Bachite</b>	<ul style="list-style-type: none"> <li>Member of the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Board Member – Gulf Union Al Ahlia Cooperative Insurance</li> <li>Board Member – Al-Mojtama Medical Company</li> <li>Board Member – Beon-IT Company</li> </ul>	<ul style="list-style-type: none"> <li>Project Manager – Transportation, Logistics &amp; Project Management, XPO Company</li> <li>Logistics Manager – Qatar National Company</li> <li>Supply Chain Consultant – Mowasalat Qatar</li> <li>Supply Chain Manager – Tadawi Saudi / Abraj Capital</li> <li>General Manager – Logistics, TAD Saudi</li> <li>General Manager – Operations, Al Salhiya Medical Company</li> <li>General Manager – XPL Solutions, Al Salhiya Medical Company</li> <li>Chief Operating Officer Advisor – Nabco Company (owned by the Public Investment Fund)</li> </ul>	<ul style="list-style-type: none"> <li>Master's in Supply Chain Management – Troyes University of Technology, France</li> <li>Diploma in Transportation &amp; Logistics Management – CREIL Institute, Paris, France</li> <li>Bachelor's in Mechanical Engineering – France</li> </ul>	28 years

c. Committees' Members from outside the Board - Previous term ended on 16/12/2025

No.	Name	Membership in GUA	Current jobs	previous jobs	Qualifications	Experiences
1	<b>Abdulaziz Al-Naim</b>	<ul style="list-style-type: none"> <li>Chairman of the Investment Committee</li> </ul>	<ul style="list-style-type: none"> <li>Managing Director of Mayar Capital</li> <li>Member of the Board of Directors in:                             <ul style="list-style-type: none"> <li>Mayar Capital</li> <li>D3 Capital</li> <li>GIB Capital</li> <li>Basic Chemical Industries Company</li> <li>Vinella Investments Ltd.</li> <li>Caldera International Holdings Ltd.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Executive Director of Yarim Company Ltd.</li> <li>Member of the Investment Committee of the Gulf Union Cooperative Insurance Company</li> <li>Board Member at Abdul Rahman Al-Turki Group ATCO</li> <li>Board Member at o Fund of Funds Company</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's degree in Administrative Sciences with a major in Finance with an accompanying major in Economics from MIT University, USA.</li> <li>Certified Financial Analyst Certificate "CFA" in 2006.</li> </ul>	23 years
2	<b>Ibrahim Abdulaziz Al-Muqhem</b>	<ul style="list-style-type: none"> <li>Audit Committee Member</li> </ul>	<ul style="list-style-type: none"> <li>Member of the Audit Committee of the Agaseem Chemical Products Company</li> <li>Member of the Audit Committee of the Circlys Company</li> <li>The National Housing Company - the investment sector</li> </ul>	<ul style="list-style-type: none"> <li>Member of the review committee of CARE International</li> <li>Senior Relationship Manager at the Saudi Stock Exchange (Tadawul) - Financial Markets (Listing)</li> <li>Accountant at the Saudi Basic Industries Corporation (SABIC)</li> <li>Member of the Board of Directors of Hayam Company Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Master of Financial Management from the University of Scranton in the USA</li> <li>Bachelor's degree in Financial Management from King Saud University</li> </ul>	19 years
3	<b>Mesheal Ibrahim Al Shayea</b>	<ul style="list-style-type: none"> <li>Investment Committee Member</li> </ul>	<ul style="list-style-type: none"> <li>CEO at Gulf Union Al Ahlia Cooperative Insurance Co.</li> <li>Board Member at Gulf Union Insurance and Reinsurance – Bahrain</li> <li>Saudi Insurance - Executive Committee Member</li> <li>Saudi Insurance - Product Development Sub-Committee Chairman</li> </ul>	<ul style="list-style-type: none"> <li>Deputy CEO at Gulf Union Al Ahlia Cooperative Insurance</li> <li>CEO at Al Ahlia Cooperative Insurance</li> <li>Board Member – Executive committee member – Investment committee member at Al Ahlia Cooperative Insurance</li> <li>CEO at SALAMA cooperative Insurance</li> <li>Chief Distribution Officer at Al Rajhi Cooperative Insurance</li> <li>Vice President for Sales and Marketing at Al Ahlia Cooperative Insurance</li> <li>Central Region Manager at Malath Cooperative Insurance</li> <li>Key Accounts Manager – Tawuniya Cooperative Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor Degree in Economy - Imam Mohammed Bin Saud University Saudi Arabia</li> <li>Insurance Foundation Certificate – Chartered Insurance Institute London</li> </ul>	26 years
4	<b>Abdullah Ali Hammad Al Hajri</b>	<ul style="list-style-type: none"> <li>Audit Committee Member</li> </ul>	<ul style="list-style-type: none"> <li>Chief Financial Officer- AlTayseer Arabian Company</li> <li>Audit Committee Chairman - Future Vision Company</li> <li>Audit Committee Chairman - Lamasat Company</li> <li>Audit Committee Member - Umm Al-Qura Cement Company</li> </ul>	<ul style="list-style-type: none"> <li>Chief Financial Officer- Chemanol</li> <li>Accounts Head- Marafiq</li> <li>Zakat &amp; Tax Consultant- EY</li> <li>Assistant Financial Auditor</li> <li>Financial Auditor assistant -SIDF</li> </ul>	<ul style="list-style-type: none"> <li>Certified Public Accounting- SOCPA</li> <li>Mini Diploma Fixed Assets Accounting &amp; Management- Meric Training &amp; Consulting, UAE</li> <li>Master of Financial- Southern New Hampshire University, USA</li> <li>Bachelor's degree in Accounting- King Faisal University, KSA</li> <li>Various training sessions &amp; workshop (Accounting, Finance, Economics Management &amp; Safety)- Various centers in &amp; out of Kingdom</li> </ul>	17 years

d. Executive management / Senior Management

- List of Executive Management/ Senior Management Members as at end of 2025

No.	Name	Current jobs	previous jobs	Qualifications	Experiences
1	<b>Mesheal Ibrahim Al-Shayea</b>	<ul style="list-style-type: none"> <li>CEO at Gulf Union Al Ahlia Cooperative Insurance</li> <li>Investment Committee Member at Gulf Union Al Ahlia Cooperative Insurance</li> <li>BOD Member at Gulf Union Al Ahlia Cooperative Insurance</li> <li>Board Member at Gulf Union Insurance and Reinsurance – Bahrain</li> <li>Saudi Insurance - Executive Committee Member</li> <li>Saudi Insurance - Product Development Sub-Committee Chairman</li> </ul>	<ul style="list-style-type: none"> <li>Deputy CEO at Gulf Union Al Ahlia Cooperative Insurance</li> <li>CEO at Al Ahlia Cooperative Insurance</li> <li>Board Member – Executive committee member – Investment committee member at Al Ahlia Cooperative Insurance</li> <li>CEO at SALAMA cooperative Insurance</li> <li>Chief Distribution Officer at Al Rajhi Cooperative Insurance</li> <li>Vice President for Sales and Marketing at Al Ahlia Cooperative Insurance</li> <li>Central Region Manager at Malath Cooperative Insurance</li> <li>Key Accounts Manager – Tawuniya Cooperative Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor Degree in Economy - Imam Mohammed Bin Saud University Saudi Arabia</li> <li>Insurance Foundation Certificate – Chartered Insurance Institute London</li> </ul>	26 years
2	<b>Abdullah Saeed Al Al-Harith</b>	<ul style="list-style-type: none"> <li>General Manager at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Regional Director for the Central and Eastern Region - Gulf Union Cooperative Insurance Company.</li> <li>Central Director of Claims - Gulf Union Cooperative Insurance Company</li> <li>Director of claims operations for all regions - Malath Insurance Company</li> <li>Motor Claims Manager - Malath Insurance Company</li> <li>Regional Director of Motor Claims - Malath Insurance Company</li> <li>Surveyors Supervisor - Tawuniya Insurance</li> </ul>	<ul style="list-style-type: none"> <li>ACII - Chartered Institute</li> <li>BA in Business Administration - King Faisal University</li> <li>Life insurance diploma - LUMA</li> <li>Diploma in Health Insurance - LUMA</li> <li>Diploma in Cars – Technology Collage Jeddah</li> </ul>	21 years
3	<b>Faris Salman Al Habbad</b>	<ul style="list-style-type: none"> <li>Chief Financial Officer at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Finance Operations Manager- Salama Cooperative Insurance Co. "SALAMA"</li> <li>Credit Control Manager - Salama Cooperative Insurance Co. "SALAMA"</li> <li>Assistant Accounting Manager - Salama Cooperative Insurance Co. "SALAMA"</li> <li>Senior Accounting Supervisor - Salama Cooperative Insurance Co. "SALAMA"</li> <li>Accounting Supervisor - Salama Cooperative Insurance Co. "SALAMA"</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of science in Accounting - king Abdulaziz university</li> <li>Associate membership Certificate SOCPA No: 84368</li> <li>ZAMALA Program Certificate from SOCPA No:03880</li> <li>Training course Certificate SOCPA - IFRS/ IAS</li> </ul>	17 years
4	<b>Abdul Moneim Abdullah Al-Bu Ali</b>	<ul style="list-style-type: none"> <li>Head of Medical at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Underwriting manager for health and life insurance - MetLife</li> <li>Medical Manager - Gulf Union</li> <li>Medical Director - Walaa Cooperative Insurance</li> <li>Underwriting Supervisor – Medgulf</li> <li>Medical Underwriter - Medgulf</li> <li>Head of Technical at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's degree in Computer Engineering from King Fahd University of Petroleum and Minerals - 2005</li> </ul>	21 years
5	<b>Hassan Al Dandan</b>	<ul style="list-style-type: none"> <li>Head of Risk at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Senior finance credit analyst</li> <li>An internal auditor of the GU</li> <li>Risk Management Supervisor, GU</li> <li>Risk Management Officer, GU</li> </ul>	<ul style="list-style-type: none"> <li>Master's in Risk management and Insurance. From University of Limerick in Ireland.</li> <li>Diploma in Risk Management, Internal Audit and Compliance from Institute of Chartered Accountants</li> <li>Bachelor of Business Administration, Major: Finance; from University of Portland, Portland</li> </ul>	12 years
6	<b>Ali Abdullah Burhan</b>	<ul style="list-style-type: none"> <li><b>Head of Internal Audit</b></li> </ul>	<ul style="list-style-type: none"> <li>Head of Internal Audit, Saudi Brokers Insurance</li> <li>Regional Audit Manager, Saudi France Bank</li> <li>Senior Audit Manager, Saudi France Bank</li> <li>Senior Risk and Compliance Manager, Riyadh Bank</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Business Administration / Business Management Middle Tennessee State University, USA.</li> </ul>	23 Years
7	<b>Hawraa Mahdi Al Baharnah</b>	<ul style="list-style-type: none"> <li>Compliance Manager at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance &amp; Governance Manager and Board secretary at Saudi Nextcare for insurance claims management</li> <li>Compliance Manager and Audit committee secretary at ATayseer Arabian Company</li> <li>Senior External Auditor at PwC</li> </ul>	<ul style="list-style-type: none"> <li>Academic Qualification: Bachelor degree in Finance</li> <li>Professional Qualification: CCO CCOIC GRCP/GRCA IFCE</li> </ul>	14 Years

8	<b>* Ghadeer Khaled Al Zamil</b>	<ul style="list-style-type: none"> <li>Legal Affairs Manager at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Trainee lawyer at Gulf Union Al Ahlia</li> <li>Legal Officer at Gulf Union Al Ahlia</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Law - (Princess Nourah Bint Abdul Rahman University)</li> </ul>	5 years
9	<b>Zahra Shaker Al Warsh</b>	<ul style="list-style-type: none"> <li>Cyber Security Manager-Acting at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Cyber Security Officer – Al Ahlia Insurance Co</li> <li>Systems Analysis – Al Manea Hospital</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Business Management System – Minor Information System And Technology – MISSOURI - USA</li> <li>Certified information security manager CISM-ISACA</li> </ul>	10 Years
10	<b>Yasmin Mohammed Al Zahrani</b>	<ul style="list-style-type: none"> <li>Customer Care Manager at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Customer care manager – alsagr insurance</li> <li>Customer care senior – alsagr insurance</li> <li>Data entry – Mada company</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's degree –English</li> <li>Award in General insurance</li> <li>Insurance claims handling</li> <li>Insurance foundation (IFCE)</li> </ul>	14 Years
11	<b>Ahmed Mohammed Kariri</b>	<ul style="list-style-type: none"> <li>Head of Motor at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Motor Claims Manager – Buruj Insurance co.</li> <li>Motor Insurance Manager – Solidarity Insurance Co.</li> <li>Motor U/W Manager – Al Ahlia Insurance</li> <li>Motor Insurance Manager – Weqaya Insurance Co.</li> <li>Motor Operation Manager – Malath Insurance Co</li> <li>Motor Insurance Manager – Gulf Union Insurance</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's Degree in Business Administration</li> <li>Certificate in Insurance Fundamentals</li> <li>PIC Certificate in General Insurance Lines</li> <li>PIC Certificate in Insurance Principles and Practice</li> </ul>	21 Years
12	<b>Memona Ali</b>	<ul style="list-style-type: none"> <li>Head of Actuary at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Assistant Vice President – Finance and Actuarial Services - Union Insurance Company P.S.C, Dubai, UAE</li> <li>IFRS 17 Reporting Actuary - Aegon, Scotland, UK</li> <li>Principal Auditing Actuary, Finance and Data Analytics Internal Audit - Prudential Ltd, Scotland, UK</li> <li>Senior Actuary, Pricing and Reinsurance - Scottish Friendly Assurance Limited, Glasgow, UK</li> <li>Assistant Actuary, Solvency II and Reinsurance - Canada Life Limited, Potters Bar, UK</li> <li>Senior Assistant Actuary - Canada Life Limited, Potters Bar, UK</li> </ul>	<ul style="list-style-type: none"> <li>Fellowship - Institute and Faculty of Actuaries, UK</li> <li>First Class BSc in Mathematics - Heriot-Watt University, Edinburgh, UK</li> </ul>	17 Years
13	<b>Abdul Aziz Al Muhanna</b>	<ul style="list-style-type: none"> <li>IT Manager at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Senior Manager - Information Cyber Security (CISO), Malath Insurance Company</li> <li>Manager - Systems Operations, Malath Insurance Company</li> <li>Manager - Network &amp; Communication, Malath Insurance and Reinsurance Company</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Science in Technology</li> <li>Minors: Computer Science and Virtual Simulation</li> </ul>	23 Years
14	<b>Raed Essa Kurdi</b>	<ul style="list-style-type: none"> <li>Head of Human Resources and Admin at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>Head of Human Capital – a Public Investment Fund (PIF) portfolio company</li> <li>Head of Human Resources and Shared Services – Abdul Latif Jameel Electronics and Technology Company</li> <li>Head of Human Resources – Salama Cooperative Insurance Company</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Science in Business Administration (Human Resources Management)</li> <li>Professional Diploma in Human Resources</li> <li>Diploma in Human Resources Management</li> <li>CHRA - HRBP – SPHR - IFC - CIPD</li> </ul>	21 Years
15	<b>Khaled Ali Basiouny</b>	<ul style="list-style-type: none"> <li>Head of General Insurance at Gulf Union Al Ahlia Cooperative Insurance Co.</li> </ul>	<ul style="list-style-type: none"> <li>General Insurance Portfolio Manager – Gulf Union Cooperative Insurance Company</li> <li>Al Rajhi Takaful – Assistant Executive Vice President, Technical Affairs</li> <li>Al Alamiya Insurance Company – Technical Sales Department Manager</li> <li>Saudi Arabian Cooperative Insurance Company (SAICO) – Manager, Facultative Reinsurance, Marine Insurance, and Product Development</li> <li>Al Alamiya Insurance Company – Marine and Accident Insurance Portfolio Manager</li> <li>Al Ahliya Cooperative Insurance Company – Technical Support Manager and Acting Regional Manager, Eastern Region</li> <li>SAB Takaful – Deputy General Insurance Manager</li> <li>Deputy Underwriting Manager – Central Region</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Commerce, Major in Applied Statistics</li> <li>Fellowship of the Chartered Insurance Institute (UK)</li> <li>Advanced Fellowship of the Australian and New Zealand Institute of Insurance and Finance</li> <li>Certified General Insurance Consultant, registered with the Financial Regulatory Authority, Egypt</li> <li>Fellowship in Risk Management – American Institute for Chartered Insurance Professionals</li> <li>ellowship in Reinsurance – American Institute for Chartered Insurance Professionals</li> </ul>	28 Years

\* Mrs. Ghadir Khaled Ibrahim Al-Zamel resigned from her position as Legal Department Manager at the company due to personal reasons, with her last working day on December 11, 2025

d- Names of companies inside or outside the Kingdom of which a member of the company's board of directors is a member of its current and previous boards of directors or of its managers

First: Board Members in the previous term ended on 16/12/2025

- First – Current Companies

Legal Entity	Inside / Outside	Membership (BOD Member – Manager)	Names of companies for which a member of the board of directors is a member of their current boards of directors or of their managers	Name
closed joint stock	Inside The Kingdom	Chairman of the Board	.Rawabi Holding Company	Abdulaziz Ali Al-Turki
Listed joint stock	Inside The Kingdom	Chairman of the Board	Gulf Union Al Ahlia Cooperative Insurance Co	
closed joint stock	Outside The Kingdom	Chairman of the Board	Gulf Union Holding Company (Bahrain)	
closed joint stock	Outside The Kingdom	Chairman of the Board	Gulf Union insurance & reinsurance Company (Bahrain)	
مساهمة غير مدرجة	Inside The Kingdom	Chairman of the Board	Rawabi Energy Company	
Limited liability	Inside The Kingdom	Manager	Rawabi Oil & Gas Company	
Limited liability	Inside The Kingdom	Manager	Rawabi Specialized Contracting Company	
Limited liability	Inside The Kingdom	Manager	Rawabi Electricity Company	
Limited liability	Inside The Kingdom	Manager	Rawabi Travel & Tourism Company	
Limited liability	Inside The Kingdom	Chairman of the Board	Rawabi Butec Ltd.	
Limited liability	Inside The Kingdom	Manager	Rawabi Integrated Gas Company	
Limited liability	Inside The Kingdom	Manager	Rawabi Oilfield Services Company	
closed joint stock	Inside The Kingdom	Chairman of the Board	Business Support for Human Resources Company	
Limited liability	Inside The Kingdom	Chairman of the Board	Rawabi Industrial Services Company	
Limited liability	Inside The Kingdom	Manager	Abdulaziz Ali Al-Turki & Partners Company	
Limited liability	Inside The Kingdom	Manager	Rawabi Contracting Company	
Limited liability	Inside The Kingdom	Manager	Rawabi Investment Company	
Limited liability	Inside The Kingdom	Manager	Abdulaziz Ali Abdulrahman Al-Turki Trading Company	
Limited liability	Inside The Kingdom	Manager	Rawabi Real Estate Company	
Limited liability	Inside The Kingdom	Manager	Rawabi Integrated Industries Company	
Limited liability	Inside The Kingdom	Chairman of the Board	Rawabi Foundations Ltd.	
Limited liability	Inside The Kingdom	Manager	Rawabi Corporate Social Responsibility Company	
closed joint stock	Outside The Kingdom	Chairman of the Board	Magnum Saudi Properties Real Estate Investment (Egypt)	
Listed joint stock	Inside The Kingdom	Vice Chairman	Gulf Union Al Ahlia Cooperative Insurance Co	
Limited liability	Inside The Kingdom	Board Member	Al Wasseel for Information Technology Co.	
closed joint stock	Inside The Kingdom	Board Member	The Saudi Company for Leasing Contract Registration.	Munir Hashem Al-Borno
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	
Private	Outside The Kingdom	Chairman of the Board	Gulf House Consulting Co. (Bahrain)	Abdullah Abdulwahab
closed joint stock	Outside The Kingdom	Vice Chairman	Gulf Union Insurance and Reinsurance Co. (Bahrain)	
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Ahmed Sulaiman Al Mazaini
Limited liability	Inside The Kingdom	Board Member	MK – Cable Management	
Limited liability	Inside The Kingdom	Board Member	Innovative Insulators company	
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Ahmed Sulaiman Al Mazaini
Listed joint stock	Inside The Kingdom	Board Member	Banan Real Estate Company	
closed joint stock	Inside The Kingdom	Board Member	IT Belt Company	
Limited liability	Inside The Kingdom	CEO	RSEEM Investment Company	
Listed joint stock	Inside The Kingdom	Board Member	Al Qassim Investment Holding Co	
Limited liability	Inside The Kingdom	Founder & Cheif Consultant	Quality & Time Management Consulting	

		Board Member	Tunisian Saudi Bank	
	Inside The Kingdom	Manager	Development Leaders For Information Technology and security systems	
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Majid Shatti Al Dhafiri
closed joint stock	Outside The Kingdom	Board Member	Gulf Union Holding Company (Bahrain)	
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Mohammed Al Katheer
closed joint stock	Inside The Kingdom	Manager	Tamweel Al Oula	
closed joint stock	Inside The Kingdom	Board Member	Al Ihsaa Amusement & Tourism Co	

- **Second – Previous Companies**

Legal Entity	Inside / Outside	Membership (BOD Member – Manager)	Names of companies for which a member of the board of directors is a member of their Previous boards of directors or of their managers	Name
Private	Inside The Kingdom	Board Member	Nama Shipping Services Ltd	Abdulaziz Ali Al-Turki
closed joint stock	Inside The Kingdom	Chairman of the Board	Nesma & Partners Contracting Company Ltd	
Private	Inside The Kingdom	Chairman of the Board	Nama Shipping Services Ltd	
Limited liability	Inside The Kingdom	Insurance Committee Chairman	Al Jomaih holding Company	Zaid Abdullah Al Yaesh
Not Listed - joint stock	Inside The Kingdom	Board Member	Arbah capital Company	
Limited liability	Inside The Kingdom	Board Member	Global beverage Company	
Limited liability	Inside The Kingdom	Board Member	Al Jarie holding Co.	
Limited liability	Inside The Kingdom	Board Member	Tamweel Aloula	
Listed joint stock	Inside The Kingdom	Manager (CEO-Managing Director)	Gulf Union Al Ahlia Cooperative Insurance Co	
Listed joint stock	Inside The Kingdom	Board Member	Abdullah Al-Khudary Sons Company	
Limited liability	Outside	Partner and Director	Arthur Andersen - Bahrain and the Eastern Province	Abdullah Abdulwahab
N/A	N/A	N/A	N/A	
Listed joint stock	Inside The Kingdom	Board Member	Saudi Ceramic Company	Ahmed Sulaiman Al Mazaini
Listed joint stock	Inside The Kingdom	Board Member	Saudi Fisheries Company	
closed joint stock	Inside The Kingdom	Board Member	Thakher Development Company	
Limited liability	Inside The Kingdom	Board Member	Harkat Production Company	
Limited liability	Inside The Kingdom	Board Member	ADD group to set up and organize exhibitions	
closed joint stock	Inside The Kingdom	Board Member	Al-Jasriah Finance Company	
closed joint stock	Inside The Kingdom	Board Member	Al Azizia Commercial Investment Company	
Listed joint stock	Inside The Kingdom	Board Member	Al Ahlia Cooperative Insurance Co.	
closed joint stock	Outside The Kingdom	Board Member	Gulf Union Insurance and Reinsurance Co. (Bahrain)	
-	-	-	N/A	

**Second: Board Members in the Current term started on 17/12/2025**

- **First – Current Companies**

Legal Entity	Inside / Outside	Membership (BOD Member – Manager)	Names of companies for which a member of the board of directors is a member of their current boards of directors or of their managers	Name
closed joint stock	Inside The Kingdom	Chairman of the Board	.Rawabi Holding Company	Abdulaziz Ali Al-Turki
Listed joint stock	Inside The Kingdom	Chairman of the Board	Gulf Union Al Ahlia Cooperative Insurance Co	
closed joint stock	Outside The Kingdom	Chairman of the Board	Gulf Union Holding Company (Bahrain)	
closed joint stock	Outside The Kingdom	Chairman of the Board	Gulf Union insurance & reinsurance Company (Bahrain)	
مساهمة غير مدرجة	Inside The Kingdom	Chairman of the Board	Rawabi Energy Company	

		Manager	Rawabi Oil & Gas Company		
	Inside The Kingdom	Manager	Rawabi Specialized Contracting Company		
Limited liability	Inside The Kingdom	Manager	Rawabi Electricity Company		
Limited liability	Inside The Kingdom	Manager	Rawabi Travel & Tourism Company		
Limited liability	Inside The Kingdom	Chairman of the Board	Rawabi Butec Ltd.		
Limited liability	Inside The Kingdom	Manager	Rawabi Integrated Gas Company		
Limited liability	Inside The Kingdom	Manager	Rawabi Oilfield Services Company		
closed joint stock	Inside The Kingdom	Chairman of the Board	Business Support for Human Resources Company		
Limited liability	Inside The Kingdom	Chairman of the Board	Rawabi Industrial Services Company		
Limited liability	Inside The Kingdom	Manager	Abdulaziz Ali Al-Turki & Partners Company		
Limited liability	Inside The Kingdom	Manager	Rawabi Contracting Company		
Limited liability	Inside The Kingdom	Manager	Rawabi Investment Company		
Limited liability	Inside The Kingdom	Manager	Abdulaziz Ali Abdulrahman Al-Turki Trading Company		
Limited liability	Inside The Kingdom	Manager	Rawabi Real Estate Company		
Limited liability	Inside The Kingdom	Manager	Rawabi Integrated Industries Company		
Limited liability	Inside The Kingdom	Chairman of the Board	Rawabi Foundations Ltd.		
Limited liability	Inside The Kingdom	Manager	Rawabi Corporate Social Responsibility Company		
closed joint stock	Outside The Kingdom	Chairman of the Board	Magnum Saudi Properties Real Estate Investment (Egypt)		
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co		Munir Hashem Al-Borno
Private	Outside The Kingdom	Chairman of the Board	Gulf House Consulting Co. (Bahrain)		
closed joint stock	Outside The Kingdom	Vice Chairman	Gulf Union Insurance and Reinsurance Co. (Bahrain)		
Listed joint stock	Inside The Kingdom	Manager	Gulf Union Al Ahlia Cooperative Insurance Co		Mesheal Ibrahim Al Shayea
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co		
closed joint stock	Outside The Kingdom	Board Member	Gulf Union Insurance and Reinsurance Co. (Bahrain)		
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co		Mohannad Saud Al Fayez
Limited liability	Inside The Kingdom	Board Member	Fajr Mediterranean Healthcare Investment		
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Ahmed Mohammed Al Salem	
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Zaid Saad Al Katheiry	
Listed joint stock	Inside The Kingdom	Board Member	International Human Resources Company		
Listed joint stock	Inside The Kingdom	Board Member	Gulf Union Al Ahlia Cooperative Insurance Co	Karim Mohammed Bachite	
Limited liability	Inside The Kingdom	Board Member	Beon-IT Company		
Listed joint stock	Inside The Kingdom	Board Member			

- **Second – Previous Companies**

Legal Entity	Inside / Outside	Membership (BOD Member – Manager)	Names of companies for which a member of the board of directors is a member of their Previous boards of directors or of their managers	Name
Private	Inside The Kingdom	Board Member	Nama Shipping Services Ltd	Abdulaziz Ali Al-Turki
closed joint stock	Inside The Kingdom	Chairman of the Board	Nesma & Partners Contracting Company Ltd	
Private	Inside The Kingdom	Chairman of the Board	Nama Shipping Services Ltd	
Listed joint stock	Inside The Kingdom	Manager -CEO-Managing Director	Gulf Union Al Ahlia Cooperative Insurance Co	Munir Hashem Al-Borno
Listed joint stock	Inside The Kingdom	Board Member	Abdullah Al-Khudary Sons Company	
Limited liability	Outside	Partner and Director	Arthur Andersen - Bahrain and the Eastern Province	
Limited liability	Inside The Kingdom	Manager	Al Ahlia Cooperative Insurance	Mesheal Ibrahim Al Shayea
Limited liability	Inside The Kingdom	Manager	SALAMA Cooperative Insurance	
-	-	-	N/A	Mohannad Saud Al Fayez
-	-	-	N/A	Ahmed Mohammed Al Salem
-	-	-	N/A	Zaid Saad Al Katheiry
-	-	-	N/A	Karim Mohammed Bachite

## Paragraph (11)

### Board Committees:

There are five committees emanated from the BOD, and the following is a brief description of the functions, tasks, meetings of each committee:

(Committees in the previous Board Term – Ended on 16/12/2025)

### 11-1 Audit Committee:

#### • Audit Committee Members

Audit Committee (three Members) - from the start of the current term on 17/12/2022 till its end on 16/12/2025			
No.	Name	Membership	Classification
1	Ahmed Al Muzaini	Chairman	Independent –BOD Member
2	Ibrahim Al-Muqhem	Member	Independent (from outside the Board)
3	Abdullah Al Hajri	Member	Independent (from outside the Board)

#### • A brief description for Rules and Responsibilities:

Audit Committee is doing the following responsibilities (For Example but not limited to the following)

Audit Committee assists the Board of Directors in its supervisory role with regard to the external accounting and auditing systems (the external auditor) and the internal (the internal audit and compliance departments) and the financial reporting systems in general, in addition to ensuring compliance with the laws and regulations applicable to the Gulf Union Cooperative Insurance Company and adherence to the internal systems and regulations. The committee Ensuring the effectiveness of the company's internal control procedures, studying the annual and quarterly financial statements, discussing the external auditors and the company's senior management before issuing recommendations to the Board of Directors regarding them, reviewing the reports submitted by the Internal Audit and Compliance Department and discussing them therein, and making recommendations in this regard to the Board of Directors and recommending the Board of Directors to approve the Appointment or reassignment of external auditors.

#### • Committee meetings during 2025:

The committee held (9) meetings during 2025

(✓ Attend the meeting) (\* Absent)

No.	Name	Membership	1st Meeting 04/02/2025	2nd Meeting 02/03/2025	3rd Meeting 09/03/2025	4th Meeting 06/05/2025	5th Meeting 02/06/2025	6th Meeting 31/07/2025	7th Meeting 27/08/2025	8th Meeting 02/11/2025	9th Meeting 03/12/2025	Total # of Meetings attended
1	Ahmed Al Muzaini	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
2	Ibrahim Al-Muqhem	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
3	Abdullah Al Hajri	Member	✓	✓	*	✓	✓	✓	✓	✓	✓	8

- There are no recommendations issued by the audit committee which conflicted with the decisions of the board of directors, and there are no recommendations issued by the audit committee, which the Board of Directors refused to take into account during the year ending 12/31/2025.

### 11-2 Executive Committee

#### • Executive Committee Members

Executive Committee (three Members) - from the start of the current term on 17/12/2022 till its end on 16/12/2025			
No.	Name	Membership	Classification
1	Abdulaziz Al Turki	Chairman	Non-Executive –BOD Member
2	Zaid Abdullah Al Yaeesh	Member	Independent –BOD Member
3	Munir Al Borno	Member	Executive –BOD Member

#### • A brief description for Rules and Responsibilities:

The main purpose of the Executive Committee is to assist the Board of Directors in implementing the strategic plans, policies and decisions of the Board in line with the company's vision, mission and guidelines. It is responsible for implementing the will of the board, with an appropriate level of input from the board before decisions are made. The committee also studies and discusses the CEO's report, the action plan submitted by the CEO, any proposals proposed by the CEO, Also Approving the financial and underwriting Authority Matrix and any amendments thereto, Study the actuary's report and makes recommendations in these regards to the Board of Directors. And provide suggestions and solutions to any problems that the company may face

- Committee meetings during 2025:

The committee held (6) meetings during 2025

(✓ Attend the meeting) (✖ Absent)

No.	Name	Membership	1 <sup>st</sup> Meeting 2025/02/12	2 <sup>nd</sup> Meeting 2025/03/23	3 <sup>rd</sup> Meeting 2025/05/01	4 <sup>th</sup> Meeting 2025/08/26	5 <sup>th</sup> Meeting 2025/10/29	6 <sup>th</sup> Meeting 2025/12/09	Total # of Meetings attended
1	Abdulaziz Al Turki	Chairman	✓	✓	✓	✓	✓	✓	6
2	Fawaz Talal Al Tamimi	Member	✓	✓	✓	✓	✓	✓	6
4	Munir Al Borno	Member	✓	✓	✓	✓	✓	✓	6

### 11-3 Nomination and Remuneration Committee

- Nomination & Remuneration Committee Members

NRC (three Members) - from the start of the current term on 17/12/2022 till its end on 16/12/2025

No.	Name	Membership	Classification
1	Ahmed Sulaiman Al Muzaini	Chairman	Independent –BOD Member
2	Abdullah Abdulrahman Abdulwahab	Member	independent –BOD Member
3	Majed Shatti Al Dhafiri	Member	Non-Executive –BOD Member

- A brief description for Rules and Responsibilities:

The Nomination and Remuneration Committee assists the Board of Directors in its supervisory role in identifying qualified individuals to become Board members and submits its recommendations to the Board on nominations by stakeholders, in addition to its recommendations to the Board of Directors for the candidates of each Board Committee (In case the committee is formed). The committee also supervises all matters related to the remuneration of every board member and executive. The committee will also have a role in improving the governance framework of the Gulf Union Cooperative Insurance Company, reviewing the organizational structure, annual verification of the independence of board members, approving job descriptions for them, and proposing compensation policies and board membership.

- Committee meetings during 2025:

The committee held (2) meetings during 2025

(✓ Attend the meeting) (✖ Absent)

No.	Name	Membership	1 <sup>st</sup> Meeting 2025/09/09	2 <sup>nd</sup> Meeting 2025/12/07	Total # of Meetings attended
1	Ahmed Al Muzaini	Chairman	✓	✓	2
2	Abdullah Abdulwahab	Member	✓	✓	2
3	Majed Al Dhafiri	Member	✓	✓	2

### 11-4 Risk Management Committee

- Risk Management Committee Members

Risk Management Committee (three Members) - from the start of the current term on 17/12/2022 till its end on 16/12/2025

No.	Name	Membership	Classification
1	Abdullah Abdulwahab	Chairman	Independent –BOD Member
2	Majid Al Dhafiri	Member	Non-Executive –BOD Member
3	Mohammed Al Katheer	Member	Independent –BOD Member

- A brief description for Rules and Responsibilities:

The main objective of the Risk Management Committee is to assist the Board of Directors in identifying risks that may expose the company to risk, maintaining acceptable risk data for the company, supervising the risk management system, evaluating its effectiveness, defining a comprehensive strategy for managing the company's risks, and reviewing risk management policies.

- Committee meetings during 2025:

The committee held (2) meetings during 2025

(✓ Attend the meeting) (✖ Absent)

No.	Name	Membership	1 <sup>st</sup> Meeting 01/05/2025	2 <sup>nd</sup> Meeting 31/08/2025	Total # of Meetings attended
1	Abdullah Abdulwahab	Chairman	✓	✓	2
2	Majid Al Dhafiri	Member	✓	✓	2
3	Mohammed Al Katheer	Member	✓	✓	2

## 11-5 Investment Committee

- Investment Committee Members

Investment Committee (Four Members) - from the start of the current term on 17/12/2022 till its end on 16/12/2025			
No.	Name	Membership	Classification
1	Abdulaziz Al-Naim	Chairman	Independent (from outside the Board)
2	Munir Al Borno	Member	Executive – BOD Member
3	Mesheal Al Shayea	Member	Executive (from outside the Board)
4	Zaid Abdullah Al Yaeesh	Member	Independent – BOD Member

- A brief description for Rules and Responsibilities:

The main purpose of the Investment Committee is to assist the Board of Directors in formulating the investment and reviewing its implementation on a quarterly basis, reviewing the performance of each asset class, monitoring the overall risks of the investment policy and submitting a performance review report to the Board of Directors. In addition, the Investment Committee assists the Board of Directors in ensuring Compliance of the overall investment activities with the requirements of the "Investment Regulations" issued by Insurance Authority and any other applicable laws and regulations.

- Committee meetings during 2025:

The committee held (4) meetings during 2025

(✓ Attend the meeting) (\* Absent)

No.	Name	Membership	1 <sup>st</sup> Meeting 06/03/2025	2 <sup>nd</sup> Meeting 03/06/2025	3 <sup>rd</sup> Meeting 09/09/2025	4 <sup>th</sup> Meeting 15/12/2025	Total # of Meetings attended
1	Abdulaziz Al-Naim	Chairman	✓	✓	✓	✓	4
2	Munir Al Borno	Member	✓	✓	✓	✓	4
3	Mesheal Al Shayea	Member	✓	✓	✓	✓	4
4	Zaid Abdullah Al Yaeesh	Member	✓	✓	✓	✓	4

### (Committees in the Current Board Term – Started on 17/12/2025)

As of December 31, 2025, the committees emanating from the Board of Directors for the new board term had not yet been formed

### Paragraph (12)

Where applicable, the means adopted by the Board of Directors in evaluating its performance and the performance of its committees and members, and the external body that carried out the evaluation and its relationship to the company, if any:

The Nomination and Remuneration Committee recommended to the Board of Directors on 07/12/2025 to approve conducting the annual evaluation for the Chairman and members of the Board of Directors, members of the committees emanating from the Board, and the executive management for the year 2025, internally within the company through the Nomination and Remuneration Committee.

After reviewing the recommendation of the Nomination and Remuneration Committee, the Board of Directors decided on 09/12/2025 to approve conducting the annual evaluation for the Chairman and members of the Board of Directors, members of the committees emanating from the Board, and the executive management for the year 2025, internally within the company through the Nomination and Remuneration Committee.

In accordance with the Board's decision, the Nomination and Remuneration Committee will proceed with conducting the annual evaluation of the Chairman and members of the Board of Directors, members of the committees emanating from the Board, and the executive management for the year 2025. After the issuance of the evaluation report, it will be presented to the Board of Directors for review and approval.

The Board of Directors shall approve the proposed remuneration for committee members and the executive management based on the recommendation of the Nomination and Remuneration Committee.

The Board of Directors shall also approve the proposed remuneration for the members of the Board of Directors and submit its recommendation to the General Assembly of the Company for its decision in this regard at its meeting during the year 2026.

**There are several items that are taken into consideration when conducting the assessment, including, but not limited to:**

- Attending board and committee meetings.
- Allocate sufficient time to review the documents attached and supporting the agenda items.
- Active participation in the discussion of the meeting agenda items.
- Accuracy in requesting information and asking inquiries.
- Impartiality in decision-making.
- Avoiding and/or avoiding conflicts of interest.
- Ensure the highest interest of the company.
- Compliance with the rules of governance and related laws.

### **Paragraph (13)**

#### **Remuneration Policy for Board Members, Committees and Executive Management:**

In determining the remunerations of members of the Board, Committees and Executive management, the Board of Directors depends on the company's policy of Remunerations for members of the Board, committees and executive management, which was approved by the General Assembly of Shareholders on 29/05/2025. This policy includes the following rules and criteria for remuneration:

#### **Remuneration policy**

##### **Article four of the policy: rules and criteria for awarding rewards**

##### **A- General rules and standards:**

Without prejudice to the provisions of the Companies Law, the Financial Market Law and their implementing regulations, and the Company's By-Law, the following rules and standards are taken into consideration when determining the remuneration of members of the Board of Directors, committees and executive management:

1. That the remuneration be based on the recommendation of the Nomination and Remuneration Committee.
2. That the remuneration be fair and commensurate with the terms of reference of the board member, committee member, or executive, and the works and responsibilities that he performs and bears, in addition to the goals set by the board of directors to be achieved during the fiscal year, in a manner that achieves consistency with the company's strategy and goals.
3. Linking the variable portion of remuneration to long-term performance in order to motivate members of the board of directors, committees and executive management to make the company successful in the long run.
4. Remuneration is determined based on the level of the position, the duties and responsibilities of the occupant, academic qualifications, work experience, skills and level of performance.
5. Harmony with the size and nature of risks with the company.
6. If it appears that the remuneration has been decided based on inaccurate information provided by a member of the board of directors or any of the committees or executive management, then its disbursement will be suspended or legal measures taken towards its recovery if it is disbursed.
7. That the remuneration is consistent with the activity of the company and the skill required to manage it.
8. Take into consideration the sector in which the company operates, its size, and the experience of the members of the board of directors.
9. The remuneration is reasonably sufficient to attract, motivate and retain board members, committees, and executives with appropriate experience and competence.
10. Remuneration is determined in coordination with the Nomination and Remuneration Committee upon new appointments.
11. Take into account the practices of other companies in determining rewards.

##### **B- Remuneration of members of the Board of Directors and Committees:**

1. The company's By-Law determine the remuneration of the chairman and members of the board of directors, whereby the board of directors proposes the remuneration of the members based on the recommendation of the nomination and remuneration committee, and then the remuneration is approved after approval by the general assembly.
2. Board members' remuneration consists of a certain amount, attendance allowance for sessions, financial or in-kind benefits, or a certain percentage of net profits, and it is permissible to combine two or more of these benefits.
3. The minimum annual remuneration for the Chairman and members of the Board of Directors shall be (150,000) one hundred fifty thousand Saudi riyals

4. The remuneration of the Chairman of the Board of Directors exceeds the remuneration of the member by an amount not less than (100,000) one hundred thousand Saudi riyals.
5. In addition, if the company achieve profit, Board Members shall be entitled to gain a certain percentage of the company profit, such percentage may not exceed (10%) of the net profits after deducting the reserves decided by the general assembly in implementation of the provisions of cooperative insurance companies control law, companies law and theses articles and after distribution of a profit to shareholders that is not less than (5%) of the company paid capital and the eligibility for such remuneration shall be proportional to the number of meetings attended by the member and any estimation contrary to that shall be void.
6. The remuneration of the independent members of the board of directors should not be a percentage of the profits achieved by the company or be based directly or indirectly on the profitability of the company.
7. All Committees members are granted an annual remuneration as follows:

Position	Bonus amount
Chairman of Committee	An annual bonus amount of (100,000) one hundred thousand Saudi riyals.
Committee member	Annual reward amount of (100,000) one hundred thousand Saudi riyals

8. Allowances for attending the meetings of the Board of Directors and the subsidiary committees are determined as follows for each meeting:

Category	Allowance
Allowance for attending the Board of Directors meeting	3000 SAR
Allowance for attending committees (for board members)	3000 SAR
Allowance for attending committees (non-members of the Board)	3000 SAR
Allowance for attending BOD and/or Committees Meetings – for Secretary	3000 SAR

9. Each member of the board and the emanating committees (from the board members or from outside), including the council chairman, shall be paid the value of the actual expenditures they incur in order to attend the meetings of the board or the committees emanating from the board of directors, including travel, accommodation and subsistence expenses.
10. Remuneration may be granted to members of the board of directors and committees in the form of shares, after fulfilling all the legal controls established in this regard, and in this case, the entered value of the shares shall be the market value at the maturity date.
11. The remuneration of members of the board of directors and committees may be of varying amounts to reflect the member's experience, competencies, tasks assigned to him, his independence, and the number of sessions attended and by other considerations.
12. If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent from attending three consecutive meetings of the Board without a legitimate excuse, this member is not entitled to any remuneration for the period following the last meeting he attended, and he must return all the remuneration that was paid to him for that period.
13. If the audit committee or the Capital Market Authority finds that the remuneration paid to any of the members of the board of directors is based on incorrect or misleading information that was presented to the general assembly or included in the annual report of the board of directors, he must return them to the company, and the company has the right to ask him to return them.

#### **C- Rewards for senior executives:**

1. The Board of Directors - based on the recommendation of the Nomination and Remuneration Committee - determines the types of remuneration granted to the company's senior executives, such as fixed bonuses or performance-related bonuses.
2. Senior executives are awarded annual bonuses based on performance evaluation, in addition to compensation and fixed bonuses according to their employment contracts.
3. Remuneration may be granted to senior executives in the form of shares, after fulfilling all the statutory controls established in this regard, and in this case the entered value of the shares shall be the market value at the maturity date.
4. The performance evaluation of the senior executives is based mainly on their professional performance during the year and the extent of their professional interaction in achieving the company's strategic goals.

### **Paragraph (14)**

#### **Relationship between Remunerations Awarded and Remuneration Policy:**

The remunerations granted to members of the board of directors, committees and executive management during the year 2025 were in line with the remuneration policy approved by the company's general assembly, and there is no fundamental deviation from this policy.

Paragraph (15)

Statement of necessary details regarding remunerations and compensations paid – Remunerations and benefits for Board and Committees Members and for five Senior Executives / High Management: -

a - Board members 'remuneration on 2025: (Thousand Saudi riyals)

Name	Fixed remunerations							Variable remunerations						End Of Service Rewards	Grand Total	Expenses allowances
	Specific amount	attendance Allowance of board meetings	attendance Allowance of Committees meetings	In Kind Benefits	A statement of the Board members remunerations as workers or managers or payments received for technical, administrative and	Remuneration of Chairman, Managing Director or Board Secretary, if he is a member	Total	Profit Share	Periodic Remunerations	Short-term incentive plans	Long-term incentive plans	Equity	Total			
<b>First: Non-Executive members</b>																
Abdulaziz Ali Al-Turki	-	10	15	-	-	-	25	-	475	-	-	-	475	-	500	-
Majed Al Dhafiri	-	15	12	-	-	-	27	-	400	-	-	-	400	-	427	-
<b>Total</b>	-	<b>25</b>	<b>27</b>	-	-	-	<b>52</b>	-	<b>875</b>	-	-	-	<b>875</b>	-	<b>927</b>	-
<b>Second: Independent members</b>																
Zaid Al Yaesh		15	27	-	-	-	42	-	450	-	-	-	450	-	492	-
Ahmed Al Muzaini		15	33	-	-	-	48	-	400	-	-	-	400	-	448	-
Abdullah Abdulwahab		15	12	-	-	-	27	-	400	-	-	-	400	-	427	-
Mohammed Al Katheer		15	6	-	-	-	21	-	325	-	-	-	325	-	346	-
<b>Total</b>	-	<b>60</b>	<b>78</b>	-	-	-	<b>138</b>	-	<b>1,575</b>	-	-	-	<b>1,575</b>	-	<b>1,713</b>	-
<b>Third: Executive members</b>																
Munir Al Borno	-	9	12	-	-	-	21	-	400	-	-	-	400	-	421	-
<b>Total</b>	-	<b>9</b>	<b>12</b>	-	-	-	<b>21</b>	-	<b>400</b>	-	-	-	<b>400</b>	-	<b>421</b>	-

(\*) Periodic remunerations, including the remuneration for membership of the BOD for the year 2024 AD and the remuneration for their membership in committees for the year 2024 AD

b - Compensation and Remunerations for five Senior Executives for the fiscal year 2025: (Thousand Saudi riyals)

Name	Fixed remunerations				Variable remunerations							End of Service Rewards	Total remuneration for executives in the board, if any	Grand Total
	Salaries	Allowances	In Kind Benefits	Total	Periodic Remunerations	Performance Remunerations	profits	Short-term incentive plans	Long-term incentive plans	Equity grants	Total			
<b>Compensation and Remunerations for five Senior Executives / Top Management</b>	5,433	1,771	-	7,204	770	6,488	-	-	-	-	7,258	-	-	14,462
<b>Total</b>	5,433	1,771	-	7,204	770	6,488	-	-	-	-	7,258	-	-	14,462

- The company committed to disclose total remuneration of the senior executive management in accordance with the requirements of Article 90 (4-b) of the Corporate Governance Rules. In order to protect the interests of the Company, its shareholders and its employees, and to avoid any damage that may result from the disclosure in details as per job titles and positions, hence description of remuneration is not presented pursuant to Appendix (1) Remuneration Schedule of Corporate Governance Rules related to Senior Executives.

c - Remuneration for committees' members for Fiscal Year 2025: (Thousand Saudi riyals)

First: Current Committees' Members

Description/Members	(*) Fixed Paid Remuneration	Allowance for Attending meetings	Total
<b>Audit committee members</b>			
Ahmed Al Mazini - Chairman	75	27	102
Abdullah Al Hajri	75	24	99
Ibrahim Al-Muqhem	75	27	102
<b>Total</b>	<b>225</b>	<b>78</b>	<b>303</b>
<b>Executive committee members</b>			
Abdulaziz Al-Turki - Chairman	75	15	90
Zaid Abdullah Al Yaeesh	75	15	90
Munir Hashem Al-Borno	75	6	81
<b>Total</b>	<b>225</b>	<b>36</b>	<b>261</b>
<b>Nomination and Remuneration Committee members</b>			
Ahmed Al Mazini - Chairman	75	6	81
Majed Al Dhafiri	75	6	81
Abdullah Abdulwahab	75	6	81
<b>Total</b>	<b>225</b>	<b>18</b>	<b>243</b>
<b>Risk Management committee members</b>			
Abdullah Abdulwahab - Chairman	75	6	81
Majed Al Dhafiri	75	6	81
Mohammed Al Katheer	75	6	81
<b>Total</b>	<b>225</b>	<b>18</b>	<b>243</b>
<b>Investment committee members</b>			
Abdulaziz Al-Naim - Chairman	75	12	87
Munir Hashem Al-Borno	75	6	81
Mesheal Al Shayea	75	12	87
Zaid Al Yaeesh	75	12	87
<b>Total</b>	<b>300</b>	<b>42</b>	<b>342</b>

\* This fixed remuneration related to 2024 and paid during 2025 for their membership in the BOD committees

d - The Annual Membership Remuneration for each member of the board of directors and committees for the year 2025:

As previously mentioned, as of 31/12/2025, the annual evaluation of the Chairman and members of the Board of Directors, as well as the members of the committees emanating from the Board, for the year 2025 is still in progress. Upon issuance of the evaluation report, it will be submitted to the Board of Directors for approval and for issuing the necessary decisions and recommendations regarding the annual remuneration of the members for their membership on the Board and its committees.

Accordingly, the recommendation regarding the remuneration of the Board members for the year 2025 will be submitted to the Company's General Assembly for its decision at the meeting scheduled to be held in 2026.

The remuneration of the Board and its committees for the year 2025, received in 2026, will be disclosed in the Board of Directors' Report for the year 2026.

### Paragraph (16)

#### Procedures taken by the Board of Directors to inform its members - especially non-executives – about shareholders' proposals and comments about the company and its performance:

- There are no comments or suggestions received from the shareholders regarding the company and its performance, and in the event of receiving any suggestions or comments from the shareholders, the Board of Directors informs its members, especially the non-executives, by putting these suggestions or comments on the agenda of the first coming meeting of the Board to be discussed and to take the necessary recommendations or decisions towards it.
- The company do the necessary actions to provide all information that enables shareholders to exercise their rights to the fullest, without discrimination among them, these information should be completed and accurate, and these information to be updated in a regular manner on specified dates. The company is obligated to answer all the shareholders' questions and queries without discrimination among them, to the extent that it does not jeopardize the interest of the company and the shareholders

### Paragraph (17)

#### General Assemblies of Shareholders held during the fiscal year 2025:

The following table includes a statement of the dates of the general assemblies of shareholders that took place during the fiscal year 2025, During 2025, the General Assembly meeting was convened 2 times, as follows:

- One (1) Extraordinary General Assembly Meeting
- One (1) Ordinary General Assembly Meeting

And the attendees as follow:

NO.	BOD Member Name	Kind of the General Assembly ( Ordinary / Extra Ordinary) + Dates		
		Extraordinary General Assembly Meeting on 29/05/2025	Ordinary General Assembly Meeting on 10/12/2025	# of Meetings
01	Abdulaziz Ali Al-Turki - Chairman	✓ Attend	✓ Attend	2
02	Zaid Abdullah Al Yaesh - Vice Chairman	✓ Attend	✓ Attend	2
03	Munir Hashem Al-Borno - Member	✓ Attend	✓ Attend	2
04	Ahmed Soliman Al Muzaini - Member	✓ Attend	✓ Attend	2
05	Majid Shatti Al Dhafiri - Member	✓ Attend	✓ Attend	2
06	Abdullah Abdulrahman Abdulwahab - Member	✓ Attend	✓ Attend	2
07	Mohammed Abdelrahman Al Katheer - Member	✓ Attend	✓ Attend	2

### Paragraph (18)

A description of any deal between the company and a related party, or any business or contracts in which the company is a party, or in which there was an interest for one of the members of the board of directors, the CEO, the CFO, the senior executives, or any person related to any of them, including the names of those involved in the business Or contracts, the nature of these works or contracts and their terms, duration and amount, and if there are no such works or contracts, the company must submit a declaration of that:

#### 18-1 The process for approving transactions with related parties

The member of the board of directors shall inform the chairman of the board of directors of his personal interest in any business or contracts related to the company. Then, these dealings with related parties shall be sent to the Board of Directors for approval for a duration of one-year. The member to whom the transaction is related is not entitled to vote on the decision of the Board of Directors. Then the transactions are presented before the general assembly for approval and authorization for a calendar year. The board shall inform the general assembly, when it convenes, about the members' personal interests in any business or contracts related to the company, and the member is not entitled to vote on this item in the general assembly.

### 18-2 Related parties' business and contracts during the year 2025 were as follows:

- The business and contracts that were entered into between the company and **Rawabi Holding Group**, in which the Chairman of the Board of Directors - **Mr. Abdulaziz Ali Al-Turki** has a direct interest in (where he holds the position of Chairman of the Board of Directors), noting that the transactions that took place during the fiscal year 2025 are (insurance policies for one year with a value of **33,759,147** Saudi riyals), there are no preferential terms in these deals and contracts.
- The business and contracts that were entered into between the company and **Al Muhaidib Group**, in which a member of the Board of Directors - **Mr. Majid Shatti Al Dhafiri** has an indirect interest in (where he holds an executive position), noting that the transactions that took place during the fiscal year 2025 are (insurance policies for one year with a value of **8,472,038** Saudi Riyals), and there are no preferential terms in these deals and contracts.
- The business and contracts that were entered into between the company and **Al Muhaidib Group**, in which a member of the Board of Directors - **Mr. Majid Shatti Al Dhafiri** has an indirect interest in (where he holds an executive position), noting that the transactions that took place during the fiscal year 2025 are (Rent Contracts for the Company's offices for one year with a value of **1,035,760** Saudi Riyals), and there are no preferential terms in these deals and contracts.

### 18-3 Notes:

- There are no preferential terms in these deals and contracts.
- No insurance policies for any Executive Management Member in the company during the year 2025
- There is also a liability insurance policy for members of the Board of Directors and Executives, amounting to **247,308** Saudi riyals.
- Except the above mentioned Insurance policies and rent contract, there is no deals between the company and related parties.

Client Name	Owner/Member has Direct interest	Member has Indirect interest	Position	Description - Deal Conditions	Duration	Premiums	Claims
Rawabi Holding Group	Abdulaziz Ali Al-Turki	-	Chairman	Motor & Property and General Accident in line with the approved policy within the company and IA	One Year	33,759,147	2,074,038
Al Muhaidib Group	-	Majid Shatti Al Dhafiri	Member	Motor & Property and General Accident in line with the approved policy within the company and IA		8,472,038	2,135,427
Client Name	Owner/ Member has Direct interest	Member has Indirect interest	Position	Contract Type		Rental Contract amount	
Al Muhaidib Group	-	Majid Shatti Al Dhafiri	Member	Annual Rent Contracts for the Company's offices		1,035,760	

### 18-4 Any potential conflict of interest cases and the mechanism for dealing with it:

There are no possible cases of conflict of interest raised during the year ending on December 31, 2025

### 18-5 Any cases where there might be competing businesses for the company or any of the branches of activity that it practices and which any member of the Board of Directors is practicing or was practicing.

- The company acknowledges that there are no cases that would suggest the existence of competing businesses for the company during the year ending on 12/31/2025 AD.

### Paragraph (19)

A description of any interest, contractual financial papers and subscription rights of the members of the company's board of directors, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries and any change in that interest or those rights during the fiscal year 2025

#### First : The Previous Board Term Started on 17/12/2022 and Ended on 16/12/2025

Related party	Type of ownership	Beginning of Year		End of Year		Net Change	Change %
		# of shares	Debt instruments	# of shares	Debt instruments		
<b>Members of Board of Directors</b>							
Abdulaziz Ali Al-Turki	Direct	454,908	0	227,454	0	227,454	-50%
Interest on Rawabi Holding Co.	Indirect	4,717,998	0	4,717,998	0	0	0%
Interest on Gulf Union Holding Co	Indirect	2,475,000	0	2,475,000	0	0	0%
Zaid Abdullah Al Yaeesh	Direct	0	0	0	0	0	0%
Munir Hashim Al Borno	Direct	1,362	0	1,362	0	0	0%
Abdullah Abdulwahab	N/A	0	0	0	0	0	0%
Ahmed Sulaiman Al Mazini	N/A	0	0	0	0	0	0%
Majid Shatti Al Dhafiri	N/A	0	0	0	0	0	0%
Mohammed Al Katheer	N/A	0	0	0	0	0	0%
<b>Senior Executives</b>							
N/A	-	-	-	-	-	-	-

#### Second : The Current / New Board Term Started on 17/12/2025 and Ending on 16/12/2029

Related party	Type of ownership	Beginning of Term		End of Year		Net Change	Change %
		# of shares	Debt instruments	# of shares	Debt instruments		
<b>Members of Board of Directors</b>							
Abdulaziz Ali Al-Turki	Direct	454,908	0	227,454	0	227,454	-50%
Interest on Rawabi Holding Co.	Indirect	4,717,998	0	4,717,998	0	0	0%
Interest on Gulf Union Holding Co	Indirect	2,475,000	0	2,475,000	0	0	0%
Munir Hashem Al-Borno	Direct	1,362	0	1,362	0	0	0%
Mesheal Ibrahim Al Shayea	N/A	0	0	0	0	0	0%
Mohannad Saud Al Fayez	Direct	800	0	800	0	0	0%
Ahmed Mohammed Al Salem	Direct	500	0	500	0	0	0%
Zaid Saad Al Katheiry	Direct	5,100	0	5,100	0	0	0%
Karim Mohammed Bachite	N/A	0	0	0	0	0	0%
<b>Senior Executives</b>							
N/A	-	-	-	-	-	-	-

## Paragraph (20)

### Major shareholders and the percentage of ownership of each of them

As at 31/12/2025 there are Two major shareholders each one of them owning more than 5% of company's Capital. Public owns the rest of the shares. Major Shareholders as at 31/12/2025 as follow: -

#	Name	Interest	Shares Amounted	Ownership Percentage %
1	Rawabi Holding Co.	Direct Ownership	4,717,998 Shares	% 10.2799
2	Gulf Union Holding Co.	Direct Ownership	2,475,000 Shares	% 5.3927

## Paragraph (21)

### Regulatory payments

We explain the statutory payments due and paid related to zakat, taxes, fees or any other dues incurred by the company, and the following are their details:

**Regulatory Payments Due:** The company has due payments that have not been paid until the end of the financial year 2025, amounted to (24,050 Thousand Saudi riyals)

**Paid Regulatory Payments:** Regulatory Payments during the year 2025 ended on 31/12/2025 amounted to (146,270 Thousand Saudi riyals)

(Thousand Saudi riyals)

Description	Year 2025		Reason for payment
	Paid	Due but not paid	
Zakat and income tax	12,205	14,170	As Per the regulation of Zakat, Tax and Customs Authority
Value added tax	115,273	7,020	As Per the regulation of Zakat, Tax and Customs Authority
Social insurance	7,861	636	As Per the regulation of General Organization of Social Insurance
Withholding tax	114	0.2	As Per the regulation of Zakat, Tax and Customs Authority
Governmental payments	1,119	0	Labor and Passport Office fees + Ministry of Commerce according to the regulations of the Ministry of the Interior and the Ministry of Labor
Supervision fees of Insurance Authority	4,953	1,092	Supervision fees of Insurance Authority
Supervision fees of Council of Health Insurance	4,745	1,132	Supervision fees of Council of Health Insurance
<b>Total</b>	<b>146,270</b>	<b>24,050</b>	

## Paragraph (22)

Any penalty, sanction, precautionary measure or precautionary restriction imposed on the company by CMA or any regulators, or judicial authority, with an explanation of the causes of the violation, the signatory to it, and the means of remedying and avoiding it in the future:

### 1- Insurance Authority Enforcement Resolutions:

Subject Penalties	Previous Fiscal Year 2024		Current Fiscal Year 2025	
	Number of executive decisions	Total amount of penalties in SAR	Number of executive decisions	Total amount of penalties in SAR
Violation of the regulatory and supervisory instructions of Insurance Authority	4	485,000	3	203,000
Violation of Insurance Authority's instructions on Customers' protection	-	-	-	-
Violation of the Insurance Authority's instructions on due diligence in Combating Money Laundering and Terrorism Financing	-	-	-	-

## 2- Sanctions / penalties on the company

Penalty/Sanction	Reason of violation	Regulators	Ways to remedy the violation and avoid its occurrence in the future
<b>2024</b>			
80,000 SR	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
60,000 SR	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
60,000 SR	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
285,000 SR	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning for non- Compliance to complete the payment process (Payment Notification).	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning for Non-Compliance with processing the pending claims for the year of 2023.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning - Non-Compliance to respond to approval requests within 60 minutes through NPHIES Portal.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning for Non-Compliance with Article Eleven of the Beneficiaries Regulation – Q3 2023.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning for Non-Compliance with Article Eleven of the Beneficiaries Regulation – Q4 2023.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Warning - Non-Compliance to respond to approval requests within 60 minutes through NPHIES Portal.	CHI	The necessary measures have been taken by the company to prevent the recurrence of this violation.
<b>2025</b>			
44,000 SR	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Violation of the Regulatory and Supervisory instructions	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
159,000 SR	Violation of Instructions related to Cybersecurity Risks	IA	The necessary measures have been taken by the company to prevent the recurrence of this violation.
Warning	Non-compliance with a provision of the Implementing Regulations of the Companies Law applicable to joint stock companies.	CMA	The necessary measures have been taken by the company to prevent the recurrence of this violation.

### Paragraph (23)

#### The Company's requests for the shareholders' register, the dates of those requests and the reasons for them during the year 2025:

The company requested a register of its shareholders Twelve (12) times during the year 2025, and the table shows the number of requests, their dates and their reasons according to the following: -

No	Date of Request	Reason
1	2025/02/02	Company Procedures
2	2025/02/13	Company Procedures
3	2025/03/02	Company Procedures
4	2025/03/09	Company Procedures
5	2025/03/16	Company Procedures
6	2025/05/07	Company Procedures
7	2025/05/25	Company Procedures
8	2025/05/25	General Assembly
9	2025/08/10	Company Procedures
10	2025/12/01	Company Procedures
11	2025/12/07	General Assembly
12	2025/12/08	Company Procedures

## Paragraph (24)

### Social Responsibility:

The company realizes the importance of its commitment to its role towards society, considering it an integral part of it, and the company also realizes the importance of its social role in a manner that achieves solidarity among members of society in implementation of principles derived from the tolerant Islamic Sharia that urged righteousness, piety and cooperation among all members of society, and work is underway to develop a policy Related to this.

The company has undertaken some initiatives that focus on social responsibility, as follows:

#	Subject of social initiative	Related Party for the Social Responsibility	City	Period
1	Blood Donation The annual participation of company employees in the annual blood donation campaign	King Fahad Specialized Hospital	Dammam - Riyadh	October 2025
2	Money Donation - Contribute to the children's drawings program with an amount of 10,000 riyals in support of the medical and educational services provided by the association	Children with Disabilities Association	Dammam	June 2025
3	Money Donation - A financial contribution of 5,000 SAR to support KANAF Charity	KANAF Charity	Dammam	June 2025
4	Money Donation - A financial contribution of 5,750 SAR to support Al-Rahma Medical Association.	Al-Rahma Medical Association.	Dammam	June 2025
5	Medical Insurance Policy for Ekhaa charity of orphans care	Ekhaa charity of orphans care	Riyadh	March 2025
6	Medical Insurance Policy for Prince Naif Rehabilitation Center	Prince Naif Rehabilitation Center	Dammam	August 2025
7	Trainees in Cooperative training	Saudi Universities	Dammam - Riyadh	During the year 2025

## Paragraph (25) - Internal Control and Risk Management:

- ❖ Risk Governance
- ❖ Strategic Risks
- ❖ Financial Risks
- ❖ Operational Risks
- ❖ Capital Management Risks

Below is a brief of the Company's risk governance and various risk being faced by the Company and how these are being mitigated for perusal of Risk Management Committee and Board of Directors

### First: Risk Governance

The Company's risk governance is manifested in a set of established policies, procedures and controls which uses the existing organizational structure to meet strategic targets. The Company's philosophy revolves on willing and knowledgeable risk acceptance commensurate with the risk appetite and strategic plan approved by the Board of Directors of the Company.

The Company is exposed to insurance, reinsurance, regulatory framework, credit, liquidity, foreign currency, commission rate, and market risks.

The Company continued strengthening its enterprise risk management and business continuity framework during 2025 All Business Continuity Management (BCM) controls defined under the Insurance Authority Self-Assessment framework achieved Maturity Level 3. The Company has initiated its roadmap to progress towards Maturity Level 4 during 2026, supported by annual testing cycles, governance reviews and continuous monitoring of BCM KPIs and KRIs.

### **Risk management structure**

A cohesive organizational structure is established within the Company in order to identify, assess, monitor, and control risks.

### **Board of Directors**

The apex of risk governance is the centralized oversight of Board of Directors providing direction and the necessary approvals of strategies and policies in order to achieve defined corporate goals.

### **Senior management**

Senior management is responsible for the day-to-day operations towards achieving the strategic goals within the Company's pre-defined risk appetite.

### **Risk Management Committee and Risk Management Department**

Risk Management Department is an independent internal control function that supplements the overall governance by keeping a watch on the external and internal factors and continuously coordinates with departments within the Company to create a culture of risk awareness, supporting and monitoring the implementation of approved risk mitigation policies and procedures to achieve an acceptable risk profile for the Company.

### **Audit Committee and Internal Audit Department**

Risk management processes throughout the Company are audited annually by the Internal Audit Department in line with Risk Based Internal Audit Plan that examines both the adequacy of the procedures and the Company's compliance with such procedures. The Internal Audit Department discusses the results of all assessments with senior management, and reports its findings and recommendations directly to the Audit Committee.

### **Business Continuity and Resilience**

During 2025, the Company continued to strengthen its Business Continuity and Disaster Recovery capabilities. All BCM controls under the Insurance Authority framework achieved Maturity Level 3. A structured roadmap has been initiated to progress towards Maturity Level 4, supported by annual BC-DR testing cycles, governance enhancements and continuous monitoring of resilience metrics.

### **Integrated Management System (ISO)**

The Company successfully achieved ISO 9001, ISO 14001 and ISO 45001 certification in 2025. Post-certification surveillance and continuous monitoring activities are ongoing to ensure sustained compliance and continuous improvement across quality, environmental and occupational health & safety practices.

**The risks faced by the Company and the manner in which these risks are mitigated by the Company are summarized below:**

### **Second: Strategic Risks**

Strategic risk is the risk to earnings or capital arising from adverse business decisions or improper implementation of those decisions. This risk is a function of the compatibility between an organization's strategic goals, the business strategies developed to achieve those goals, the resources deployed against these goals and the quality of implementation. The Company defines mission and vision statements and periodically deliberates the strategic business plan to convert the strategic objectives into operational goals ensuring the appropriate resources availability. Periodic review is conducted to evaluate and monitor the performance against the predefined goals.

### **Third: Financial Risk**

- **Market Risk**

Market risk is the risk that the value of a financial instrument or its future cash flows will change due to fluctuations in market prices. The market risk policy addresses three main types of risk: currency risk, commission rate risk, and price risk. Currency risk is not actively managed because the Saudi Riyal is pegged to the US Dollar and transactions occur in local currency. Commission rate risk is managed by maintaining a diversified portfolio of fixed and floating rate instruments, with regular reviews to adjust the investment mix based on interest rate trends. Price risk is mitigated by diversifying investments and continuous monitoring market trends.

The Board of Directors of the Company ensure that the overall market risk exposure is maintained at prudent levels and is consistent with the available capital. While the Board of Directors gives a strategic direction and goals, risk management function related to market risk is mainly the responsibility of Investment Committee team. The team prepares forecasts showing the effects of various possible changes in market conditions related to risk exposures. This risk is being mitigated through the proper selection of securities. Company maintains diversified portfolio and performs regular monitoring of developments in related markets. In addition, the key factors that affect stock and Sukuk market movements are monitored, including analysis of the operational and financial performance of investees.

- **Currency Risk**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company is subject to fluctuations in foreign exchange rates in the normal course of its business. The Company did not undertake significant transactions in currencies other than Saudi Riyals and United States Dollars, during the year. As the Saudi Riyal is pegged to the United States Dollar, balances in United States Dollars are not considered to represent significant currency risk.

- **Commission rate risk**

Commission rate risk is the risk that changes in market commission rates will affect the value or future cash flows of financial instruments. The Company is exposed to this risk through its securities and deposits, where fixed-rate instruments face fair value risk and floating-rate instruments face cash flow risk. This risk is managed by monitoring commission rate changes and maintaining a mix of fixed and floating rate investments to limit the impact on overall returns.

There is no direct contractual relationship between financial assets and insurance and reinsurance contracts. However, the Company's interest rate risk policy requires it to manage the extent of net commission rate risk by maintaining an appropriate mix of fixed and variable rate instruments to support the insurance contract liabilities. The Company is exposed to commission rate risk through its debt instruments held, deposits and in respect of liabilities or assets for incurred claims where cash flows are not expected to be settled within a year from when claims are incurred.

- **Price Risk:**

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from commission rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company's price risk exposure relates to financial instruments whose values will fluctuate as a result of changes in market prices. The Company does not issue any participating contracts. Therefore, there are no insurance or reinsurance contracts which are exposed to price risk. The Company's investments amounting to Saudi Riyals 284.1 million (2024: Saudi Riyals 260.5 million) are susceptible to market price risk arising from uncertainty about the future value of invested securities, which are principally listed securities. The Company limits this nature of market risk by diversifying its invested portfolio and by actively monitoring the developments in markets.

The impact of a hypothetical change of a ( $\pm 5\%$ ) in the market prices of investments on comprehensive income would be as follows: Impact on profit before zakat and income tax by (+5%) amounts to 14.2 million, Impact on profit before zakat and income tax by (-5%) amounts to SAR (-14.2) million.

The sensitivity analysis is based upon the portfolio position as at 31 December 2025. Accordingly, the sensitivity analysis prepared is not necessarily indicative of the effect on the Company's assets of future movements in the value of investments held by the Company.

- **Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. For all classes of financial instruments held by the Company, the maximum credit risk exposure to the Company is the carrying value as disclosed in the statement of financial position.

The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

- The Company only enters into insurance and reinsurance contracts with recognised, credit worthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivables from insurance and reinsurance contracts are monitored on an ongoing basis in order to reduce the Company's exposure to bad debts.
- The Company seeks to limit credit risk with respect to agents and brokers by setting credit limits for individual agents and brokers and monitoring outstanding receivables.
- The Company's investment portfolio is managed by the investment committee in accordance with the investment policy established by the investment committee, which is approved by the Board of Directors. The policy sets out the limits of investments in different categories.

- **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet obligations and commitments associated with financial liabilities. The Company has a proper cash management system, where daily cash collections and payments are strictly monitored and reconciled on regular basis. The Company manages liquidity risk by maintaining maturities of financial assets and financial liabilities and investing in liquid financial assets. Further, the Company manages liquidity risk as follows:

- The Company's liquidity risk policy which sets out the assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- Contingency funding plans are in place, which specify minimum proportions of funds to meet emergency calls as well as specifying events that would trigger such plans.
- The Company's catastrophe excess-of-loss reinsurance contracts contain clauses permitting the immediate draw down of funds to meet claim payments should claim events exceed a certain size.
- The company ensures the use of sound asset-liability management practices.
- The company ensures the use of a variety of techniques for funds management.

- **Reinsurance Risk:**

In order to minimize financial exposure arising from large claims, the company, in the normal course of business, enters into agreements with other parties for reinsurance purposes. To minimize its exposure to significant losses from reinsurer insolvencies, the company evaluates the financial condition of its reinsurers and monitors concentration of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers.

Furthermore, the financial strength and managerial and technical expertise as well as historical performance of the reinsurers, wherever applicable, are thoroughly reviewed by the Company and agreed to pre-set requirements of the Company's Board of Directors and Reinsurance Committee before approving them for reinsurance business. As at 31 December 2025, 30% of reinsurance receivables balance was due from one party (31 December 2024: 40% due from one party).

#### **Fourth: Operational Risk**

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Company's activities.

Management continues to implement improvement initiatives including pricing adequacy reviews, underwriting portfolio cleanup, claims process enhancements, and strengthened governance and risk monitoring activities. Cross-functional committees continue to oversee customer experience, cybersecurity, business continuity, and digital transformation initiatives to enhance operational resilience.

The operations of the Company are subject to regulatory requirements in Kingdom of Saudi Arabia. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions e.g. capital adequacy to minimize the risk of default and insolvency on the part of the insurance companies and to enable them to meet unforeseen liabilities as these arise.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors. The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. This responsibility encompasses the controls in the following areas:

- Requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- Requirements for the reconciliation and monitoring of transactions;
- Compliance with regulatory and other legal requirements;
- Documentation of controls and procedures;
- Requirements for the yearly assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- Ethical and business standards; and
- Risk mitigation policies and procedures.

Senior management ensures that the Company's staff has adequate training and experience and fosters effective communication related to operational risk management.

- **Insurance Risk:**

Insurance risk refers to the potential for variation in actual claims and benefit payments compared to expectations, influenced by factors such as claim frequency, severity, and timing. The Company manages this risk by maintaining adequate reserves and utilizing reinsurance agreements, including both proportional and non-proportional reinsurance, to mitigate exposure to catastrophic events. The Company also monitors risk concentrations, especially in its medical and motor portfolios, and employs retention limits to manage overall exposure.

The Company conducts sensitivity analyses to assess the impact of changes in key assumptions, such as claims costs and risk adjustments, which helps in guiding risk management decisions. Through continuous monitoring and strategic reinsurance, the Company aims to control its exposure to insurance risk and ensure financial stability.

### **Fifth: Capital Management Risks**

Capital management risk involves ensuring that the Company maintains healthy capital ratios to support its business objectives and maximize shareholder value. The Company aims to comply with regulatory capital requirements, safeguard its ability to operate as a going concern, and provide adequate returns to shareholders by pricing insurance contracts according to the risk level. Capital requirements are regularly assessed to identify shortfalls, and adjustments are made in response to market conditions and risk characteristics.

The Company continues to closely monitor solvency and capital adequacy through joint oversight between Risk and Finance functions, ensuring alignment with regulatory expectations and the Board approved Risk Appetite Framework.

As of December 31, 2025, the Company's solvency level exceeds the minimum solvency margin set by regulatory requirements, ensuring full compliance with the capital regulations.

- **Claims handling and reserving**

Claim handling risk is the risk associated with paying claims in accordance with policy coverage. The Company mitigates this risk through close review of claims decisions, the implementation of an authority matrix for different claim types and amounts, and periodic review of claims policies and procedures. Reinsurers are involved for high-value claims, and careful underwriting along with appropriate reinsurance coverage is used to manage high frequency, severity, and concentration risks.

The frequency and severity of claims can be influenced by factors such as natural disasters, environmental or economic conditions, civil unrest, and risk concentration. To limit exposure to catastrophic events, the Company imposes maximum claim amounts on certain contracts and leverages reinsurance arrangements. These underwriting and reinsurance strategies are designed to align with the Company's risk appetite, as determined by management, and reduce the impact of large-scale or unpredictable events.

The estimation of outstanding claims and reserves involves both quantitative analysis and qualitative judgment to determine liabilities for reported claims. Key assumptions include historical claim patterns, average claim and handling costs, claim inflation, and projections by accident year. Adjustments are made for one-off events, changes in market or legal conditions, and internal factors such as portfolio composition. Each claim is assessed individually, with case estimates regularly updated as new information becomes available. Technical reserves are reviewed by external actuaries, stress testing is conducted, and claims development is closely monitored, particularly for low-frequency, high-value lines of business.

- **People Risk**

People are the critical component of any system and hence the operations. Saudization is the vital components being pursued by the regulators and accordingly the Management has a plan to improve the level of Saudization across the Company. HR department is regularly monitoring and reporting Saudization level to the senior management.

The Company maintained a high Saudization level, reaching 86% in the fourth quarter of 2025, while continuing workforce planning, employee training initiatives, and succession planning throughout the year.

- **Information Technology Risk**

The Company's business depends heavily on the ability of IT systems to handle a large number of operations at a specific time without interruption, especially when transactions processing becomes more complicated due to the size of the Company's portfolio and significant increasing rate of operations. There is risk that systems may face failures, deficiencies, complete outage, system viruses, penetration, or any type of electronic crimes that would affect the security of Company's information, data and communications, or occurrence of any defect in the systems of Company's branches or other associated entities. In case of occurrence of any these risks, the Company's business would be adversely and materially affected, and its reputation might be harmed.

The Company mitigates the risk by devising the administrative policies and procedures, building efficient and effective system, network and communication infrastructure, maintaining appropriate level of securities to avoid such attacks. The Company also implemented the backup and disaster recovery techniques to ensure the availability and recoverability of data, had the preventive actions fail.

During 2025, the Company significantly enhanced its IT resilience and disaster recovery capabilities. Disaster Recovery planning, governance and testing programs have been formalized, with annual BC-DR testing cycles implemented to validate system recoverability, remote access readiness and crisis coordination capabilities.

- **Regulatory risk**

The company received several observations and fines from the Insurance Authority, mainly related to operational activities. These matters have been fully addressed through corrective actions, ensuring that further violations are prevented and recurrence is avoided in the future.

### **Paragraph (26)**

#### **Results of the annual review of the effectiveness of the company's internal control procedures and the audit committee's opinion on the adequacy of internal control in the company:**

The results of the annual review and Audit Committee confirmed the effectiveness of the company's internal control procedures, and that they are based on sound foundations and are implemented in an efficient and organized manner, that serves the interest of the shareholders and is in line with the applicable rules, laws and regulations in the Kingdom of Saudi Arabia.

### **Paragraph (27)**

#### **Recommendation of the Audit Committee regarding the need to appoint an internal auditor in the company:**

The company has an independent internal audit department, and its director, Mr. Ali Burhan, was appointed based on a decision from the Board of Directors and with the approval of the relevant regulatory authorities. Throughout the year 2025, no recommendations were issued by the Audit Committee regarding the appointment of another internal auditor.

### **Paragraph (28)**

**Recommendations of the Audit Committee that there are no contradictions between and the decisions of the Board of Directors or the Board refuses to take it regarding the appointment of the company auditor, its dismissal, the determination of his fees, the evaluation of his performance, the appointment of the internal auditor, the rationale for those recommendations and the reasons for not taking them.:**

None

## Paragraph (29)

### External Auditors

- The Ordinary General Assembly of the company, which was held on 29/05/2025 AD, based on the recommendation of the company's board of directors based on the audit committee's recommendation, approved the appointment of PricewaterhouseCoopers Certified Public accountants PwC and Al-Kharashi & Co. Certified Accountants and Auditors (Mazars) for financial auditing The company's accounts for examining, reviewing and auditing the financial statements for the second, third and annual quarters of the fiscal year 2025 AD and the first quarter of the year 2026
- The company's auditors' report does not include any reservations on the annual financial statements for the fiscal year ending on 12/31/2025
- There was no recommendation from the Board of Directors to replace the auditors during the year 2025, before the end of the period for which he is appointed.

## Paragraph (30)

### What has been applied of the provisions of the Corporate Governance Regulations and what has not been implemented, and the reasons for that:

The company has implemented all the mandatory provisions contained in the Corporate Governance Regulations in the Kingdom of Saudi Arabia issued by the Board of the Capital Market Authority. With the exception of some of the following guiding provisions that were not applied during the year 2025:

Subject	Text of the article	Reasons for not applying
82	<b>Motivating employees:</b> The company sets up programs to develop and stimulate the participation and performance of the company's employees.	Guidance article
84	<b>Social Responsibility:</b> The Ordinary General Assembly - based on a proposal from the Board of Directors - shall set a policy that ensures a balance between its objectives that society aspires to achieve with the aim of developing the socio-economic conditions of the society..	Guidance article
85	<b>Social Work Initiative:</b> The Board of Directors establishes the programs and identifies the means to implement the company's initiatives in the field of social work..	Guidance article
92	<b>Formation of the Corporate Governance Committee:</b> In the event that the Board of Directors establishes a committee specialized in corporate governance, then it must delegate to it the competencies established under Article 94 of these regulations, and this committee must follow up on any issues related to governance applications, and provide the Board of Directors, at least annually, with the reports and recommendations it arrives at.	Guidance article

The company gives top priority and great interest in implementing all the requirements imposed by governance and related systems, and the Board of Directors has the primary and pivotal role in this. The company also emphasizes its great interest in the continuous review of the practices and activities implemented in the company to ensure the implementation of all the standards, procedures, prevailing laws and legal requirements imposed by the law. Particularly related to governance.

- The company has been keen to comply with what is included in the Corporate Governance regulation issued by the Insurance Authority, as well as the company's internal governance regulation. The company confirms its commitment to implementing the regulations.
- The company do the necessary actions to provide all information that enables shareholders to exercise their rights to the fullest, without discrimination among them, these information should be completed and accurate, and these information to be updated in a regular manner on specified dates.
- The company is obligated to answer all the shareholders' questions and queries without discrimination among them, to the extent that it does not jeopardize the interest of the company and the shareholders

#### Paragraph (31)

the name of the subsidiary company, its capital, the percentage of ownership of the company in it and its activity, the head, the state, the main location of its operations, and the country of its incorporation and Details of shares and debt instruments issued for each subsidiary:

None – Gulf Union Al Ahlia has no Subsidiaries

#### Paragraph (32)

An interest in the category of shares eligible to vote belongs to persons (other than members of the board of directors and senior executives and their relatives) who informed the company of those rights under Article 45 of the registration and listing rules, and any change in those rights during the last fiscal year:

None

#### Paragraph (33)

Information related to the approval of the position of the company (whether due to be paid upon request or otherwise), and the disclosure of the total debt of the company and its subsidiary companies and the payment of the company to repay the loans during the year 2025, the original amount of the loan, the shares of the donor to it, its duration, and the remaining amount

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there are no loans on the company during the year 2025, whether they are due upon request or otherwise.

#### Paragraph (34)

A description of the categories and numbers of any convertible debt instruments, any contractual securities, subscription right notes or similar rights issued or granted by the company during the 2025 fiscal year, with an explanation of any details that the company has connected to in return.

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there are no convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company during the fiscal year 2025, and there is no compensation obtained by the company for that.

#### Paragraph (35)

A description of any transfer or subscription rights under convertible debt instruments, contractual securities, subscription notes, or similar rights issued or granted by the company during the fiscal year 2025.

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there are no transfer or subscription rights under convertible debt instruments, contractual securities, subscription right notes, or similar rights issued or prohibited by the company during the fiscal year ending on December 31, 2025.

#### Paragraph (36)

A description of any redemption, purchase or cancellation on the part of the company for any recoverable debt instruments, and the value of the remaining securities, with a distinction between the listed securities purchased by the company and those purchased by its subsidiaries:

Gulf Union Ahlia Company acknowledges that there is no refund, purchase or cancellation by the company for any redeemable debt instruments during the fiscal year ending on December 31, 2025 .

#### Paragraph (37)

##### **A statement of any arrangements or assignment agreements according to which a member of the company's board of directors or one of the chief executives of any remuneration:**

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there are no arrangements or agreements whereby a member of the company's board of directors or a senior executive waived any remuneration.

#### Paragraph (38)

##### **A statement of any arrangements or agreements under which one of the shareholders of the company will assign any rights to dividends:**

Gulf Union Al Ahlia Cooperative Insurance Company acknowledges that there is no statement, arrangement or agreement whereby one of the shareholders of the company waived any rights to profits.

#### Paragraph (39)

##### **Statement of the value of any investments or reserves established for the benefit of the company's employees:**

There are no investments or reserves established for the benefit of the company's employees.

While there is a provision for end of service benefits for company employees amounting to 19.1 million riyals.

#### Paragraph (40)

##### **Disclosure of details of treasury shares held by the company and details of the uses of these shares:**

Not Applicable.

#### Paragraph (41)

##### **Declarations:**

From the responsibility of the Board of Directors and its cares on the continuity and preservation of the company for the purpose for which it was established, and in light of the information provided to him by the company's management, he confirms the following:

#	Kind of acknowledge	Company & BOD confirmation
1	Accounts records	The account records have been properly prepared.
2	Internal Control system	The internal control system prepared on a sound basis and was implemented effectively
3	Sustainability	There is no doubt about the company's ability to continue its activity.
4	Information regarding any loans on the company	There are no loans on the company during the year 2025

#### **Conclusion:**

In conclusion, the Board of Directors, with gratitude to Almighty God, extends its sincere thanks and deep appreciation to the Custodian of the Two Holy Mosques and His Royal Highness the Crown Prince—may God preserve them—for the continued support and patronage extended to companies. The Board also acknowledges the important role of the supervisory and regulatory authorities and their efforts in strengthening the business environment and advancing the sector.

The Board further expresses its appreciation to the Company's valued customers and esteemed shareholders for their continued trust and support, and extends its thanks to all employees for their sincere efforts, dedication, and commitment in the performance of their duties.

The Board reaffirms the Company's commitment to the continuous development of its operations and services in a manner that meets customer expectations, delivers on shareholders' aspirations, and contributes to serving the community—thereby reinforcing the Company's position and leadership in the insurance sector.

**Best Regards.**



Property Insurance



Medical Insurance



Motor Insurance



Medical Malpractice



Protection and Saving Insurance



General Accidents



Engineering



Marine Insurance



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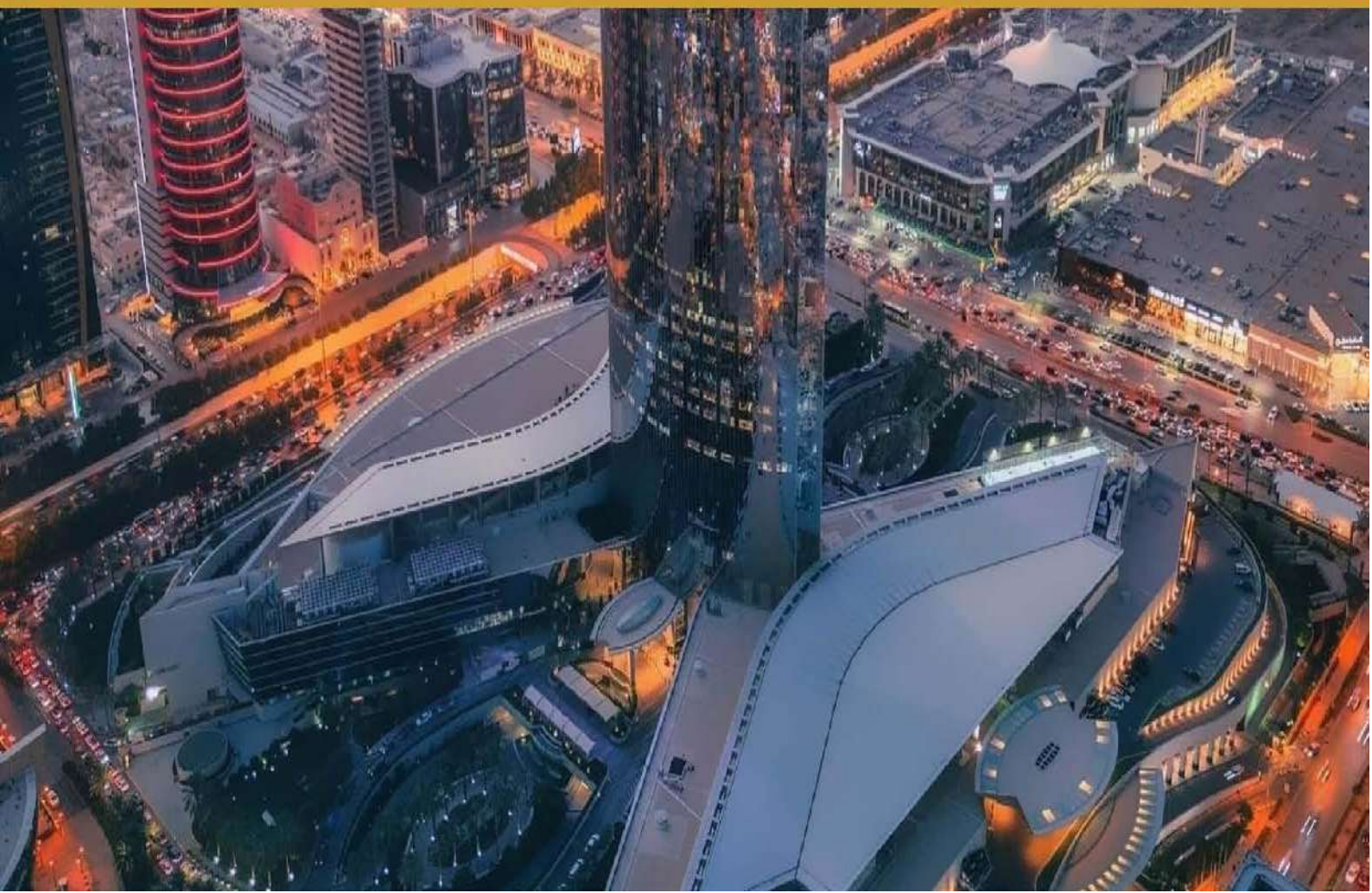


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**THANK YOU**





## Agenda Item # 2



**2- Voting on the Auditors Report on the company's accounts for the fiscal year ending on 31 /12/ 2025 G.**

## *Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company*

### *Report on the audit of the financial statements*

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#### *Opinion*

We have audited the financial statements of Gulf Union Alahlia Cooperative Insurance Company (the "Company"), which comprise the statement of financial position as at 31 December 2025, the statements of income, comprehensive income, changes in equity, and cash flows for the year then ended, and notes, from 1 to 36, to the financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

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#### *Basis for opinion*

We conducted our audit in accordance with the International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code's requirements.

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

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#### *Key audit matters*

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

## *Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)*

### *Key audit matters (continued)*

Key audit matter	How our audit addressed the key audit matter
<p><i>Valuation of liability for incurred claims and loss component</i></p> <p>The estimation of the liability for incurred claims and loss component involves a significant degree of judgment. This entails estimating the present value of future cash flows and risk adjustment for non-financial risk (forming part of liability for incurred claims) and loss component (forming part of liability for remaining coverage).</p> <p>The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils its obligations under insurance contracts. The present value of future cash flows is based on the best-estimate of the ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not. The loss component is recognised if at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous. Such loss component is remeasured at each reporting date as the difference between the amounts of the fulfilments cash flows determined under the general measurement model relating to the future service and the carrying amount of the liability for remaining coverage without the loss component.</p> <p>As at 31 December 2025, the estimates of present value of future cash flows, risk adjustment for non-financial risk and loss component amount to Saudi Riyals 384.8 million, Saudi Riyals 9.8 million and Saudi Riyals 20.4 million, respectively, as disclosed in Note 10 to the financial statements.</p> <p>Accordingly, the complexity arises from calculating the actuarial best estimate using historical data which is sensitive to external inputs, as well as the actuarial methodology that is applied and the assumptions on current and future events.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Updated our understanding, evaluated the design and implementation of key controls over the accuracy of the claims and related provisions recorded by the Company;</li> <li>• Evaluated the competence, capabilities and objectivity of the management's Appointed Actuary based on their professional qualifications and experience and assessed their independence to the Company;</li> <li>• Performed substantive procedures, on a sample basis, on the amounts recorded by the Company for paid and outstanding claims;</li> <li>• Tested, on a sample basis, the integrity of the claims data, including salvage and subrogation recoveries, used as inputs by management and their Appointed Actuary into the actuarial valuations in estimating the present value of the future cash flows, risk adjustment for non-financial risk and loss component;</li> <li>• Engaged our internal actuarial specialists to assess the reasonableness of the actuarial models and assumptions, including expected loss ratios and expense allocation, used to calculate the present value of the future cash flows (net of salvage and subrogation), the risk adjustment and loss component to obtain comfort over the actuarial report issued by management's Appointed Actuary. Our internal actuarial specialists also performed rejections of the present value of future cash flows, risk adjustment for non-financial risk and loss component for significant product lines and compared them with the amounts recorded by the management for reasonableness; and</li> <li>• Assessed the adequacy and appropriateness of the related disclosures in the financial statements.</li> </ul>

## *Independent auditors’ report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)*

### *Key audit matters (continued)*

Key audit matter	How our audit addressed the key audit matter
<p><i>Valuation of liability for incurred claims and loss component (continued)</i></p> <p>The Company uses an external actuary (“Appointed Actuary”) to provide them with the estimate of such liabilities. A range of methods were used to determine these liabilities which were based on a number of explicit or implicit assumptions relating to the expected settlement amount and settlement patterns of claims.</p> <p>We have considered this as a key audit matter due to the inherent estimation uncertainty, complexity and subjectivity involved in the valuation of the estimates of present value of future cash flows, risk adjustment for non-financial risk and loss component arising from insurance contracts.</p> <p>Refer to Notes 3 and 4 for the material accounting policies information and significant accounting judgements, estimates and assumptions related to insurance contract liabilities.</p>	

### *Other information*

The Board of Directors of the Company (the “Directors”) are responsible for the other information. The other information comprises information included in the Company’s 2025 annual report, but does not include the financial statements and our auditors’ report thereon, which is expected to be made available to us after the date of this auditors’ report.

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

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

When we read the Company’s 2025 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### *Responsibilities of those charged with governance for the financial statements*

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, and the applicable requirements of the Regulations for Companies and the Company’s By-laws, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## *Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)*

### *Responsibilities of those charged with governance for the financial statements (continued)*

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

Those charged with governance, i.e. the Directors, are responsible for overseeing the Company's financial reporting process.

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### *Auditor's responsibilities for the audit of the financial statements*

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

As part of an audit in accordance with the International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

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

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

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

## *Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)*

### *Auditors' responsibilities for the audit of the financial statements (continued)*

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

#### **PricewaterhouseCoopers**

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Kingdom of Saudi Arabia

Abdullah AlMsned  
License Number 456

29 March 2026  
10 Shawwal 1447 H





## Agenda Item # 3



3- Viewing and discussing the Financial Statements for the fiscal year ending on  
31 /12/ 2025 G.

**GULF UNION ALAHLIA COOPERATIVE  
INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025  
AND INDEPENDENT AUDITORS' REPORT**

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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Statement of changes in equity	10
Statement of cash flows	11 - 12
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## *Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company*

### *Report on the audit of the financial statements*

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#### *Opinion*

We have audited the financial statements of Gulf Union Alahlia Cooperative Insurance Company (the "Company"), which comprise the statement of financial position as at 31 December 2025, the statements of income, comprehensive income, changes in equity, and cash flows for the year then ended, and notes, from 1 to 36, to the financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

---

#### *Basis for opinion*

We conducted our audit in accordance with the International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code's requirements.

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

---

#### *Key audit matters*

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

## *Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)*

### *Key audit matters (continued)*

Key audit matter	How our audit addressed the key audit matter
<p><i>Valuation of liability for incurred claims and loss component</i></p> <p>The estimation of the liability for incurred claims and loss component involves a significant degree of judgment. This entails estimating the present value of future cash flows and risk adjustment for non-financial risk (forming part of liability for incurred claims) and loss component (forming part of liability for remaining coverage).</p> <p>The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils its obligations under insurance contracts. The present value of future cash flows is based on the best-estimate of the ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not. The loss component is recognised if at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous. Such loss component is remeasured at each reporting date as the difference between the amounts of the fulfilments cash flows determined under the general measurement model relating to the future service and the carrying amount of the liability for remaining coverage without the loss component.</p> <p>As at 31 December 2025, the estimates of present value of future cash flows, risk adjustment for non-financial risk and loss component amount to Saudi Riyals 384.8 million, Saudi Riyals 9.8 million and Saudi Riyals 20.4 million, respectively, as disclosed in Note 10 to the financial statements.</p> <p>Accordingly, the complexity arises from calculating the actuarial best estimate using historical data which is sensitive to external inputs, as well as the actuarial methodology that is applied and the assumptions on current and future events.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Updated our understanding, evaluated the design and implementation of key controls over the accuracy of the claims and related provisions recorded by the Company;</li> <li>• Evaluated the competence, capabilities and objectivity of the management's Appointed Actuary based on their professional qualifications and experience and assessed their independence to the Company;</li> <li>• Performed substantive procedures, on a sample basis, on the amounts recorded by the Company for paid and outstanding claims;</li> <li>• Tested, on a sample basis, the integrity of the claims data, including salvage and subrogation recoveries, used as inputs by management and their Appointed Actuary into the actuarial valuations in estimating the present value of the future cash flows, risk adjustment for non-financial risk and loss component;</li> <li>• Engaged our internal actuarial specialists to assess the reasonableness of the actuarial models and assumptions, including expected loss ratios and expense allocation, used to calculate the present value of the future cash flows (net of salvage and subrogation), the risk adjustment and loss component to obtain comfort over the actuarial report issued by management's Appointed Actuary. Our internal actuarial specialists also performed rejections of the present value of future cash flows, risk adjustment for non-financial risk and loss component for significant product lines and compared them with the amounts recorded by the management for reasonableness; and</li> <li>• Assessed the adequacy and appropriateness of the related disclosures in the financial statements.</li> </ul>

## *Independent auditors’ report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)*

### *Key audit matters (continued)*

Key audit matter	How our audit addressed the key audit matter
<p><i>Valuation of liability for incurred claims and loss component (continued)</i></p> <p>The Company uses an external actuary (“Appointed Actuary”) to provide them with the estimate of such liabilities. A range of methods were used to determine these liabilities which were based on a number of explicit or implicit assumptions relating to the expected settlement amount and settlement patterns of claims.</p> <p>We have considered this as a key audit matter due to the inherent estimation uncertainty, complexity and subjectivity involved in the valuation of the estimates of present value of future cash flows, risk adjustment for non-financial risk and loss component arising from insurance contracts.</p> <p>Refer to Notes 3 and 4 for the material accounting policies information and significant accounting judgements, estimates and assumptions related to insurance contract liabilities.</p>	

### *Other information*

The Board of Directors of the Company (the “Directors”) are responsible for the other information. The other information comprises information included in the Company’s 2025 annual report, but does not include the financial statements and our auditors’ report thereon, which is expected to be made available to us after the date of this auditors’ report.

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

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

When we read the Company’s 2025 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### *Responsibilities of those charged with governance for the financial statements*

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, and the applicable requirements of the Regulations for Companies and the Company’s By-laws, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## *Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)*

### *Responsibilities of those charged with governance for the financial statements (continued)*

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

Those charged with governance, i.e. the Directors, are responsible for overseeing the Company's financial reporting process.

---

### *Auditor's responsibilities for the audit of the financial statements*

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

As part of an audit in accordance with the International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

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

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

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

## Independent auditors' report to the shareholders of Gulf Union Alahlia Cooperative Insurance Company (continued)

### Auditors' responsibilities for the audit of the financial statements (continued)

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

#### PricewaterhouseCoopers

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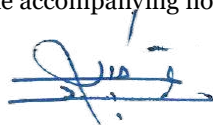
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**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**STATEMENT OF FINANCIAL POSITION**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

		<b>As at 31 December</b>	
	<b>Note</b>	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>			
Cash and cash equivalents	6	<b>52,830,964</b>	53,973,519
Term deposits	7	<b>304,123,175</b>	400,168,421
Investments:			
Financial assets at fair value through profit or loss ("FVTPL")	8	<b>138,654,406</b>	138,396,972
Financial assets at fair value through other comprehensive income ("FVOCI")	8	<b>145,443,572</b>	122,247,674
Financial assets at amortised cost	8	<b>210,896,651</b>	175,996,001
Prepaid expenses and other assets	9	<b>47,442,178</b>	47,034,912
Reinsurance contract assets	10	<b>77,408,578</b>	61,691,142
Right-of-use assets	11	<b>4,839,317</b>	7,481,026
Property and equipment	12	<b>6,076,605</b>	7,696,401
Intangible assets	13	<b>32,278,282</b>	42,936,441
Accrued income on statutory deposit	14	<b>557,241</b>	1,819,113
Goodwill	5	<b>67,697,750</b>	67,697,750
Statutory deposit	14	<b>68,836,547</b>	68,838,456
<b>TOTAL ASSETS</b>		<b><u>1,157,085,266</u></b>	<b><u>1,195,977,828</u></b>
<b>LIABILITIES</b>			
Accrued and other liabilities	15	<b>23,202,503</b>	23,462,432
Insurance contract liabilities	10	<b>525,090,589</b>	499,820,414
Employee benefit obligations	16	<b>19,077,661</b>	19,978,809
Lease liabilities	11	<b>6,044,743</b>	8,622,513
Zakat and income tax payable	25	<b>14,169,897</b>	15,575,348
Accrued commission income payable to Insurance authority	14	<b>557,241</b>	1,819,113
<b>TOTAL LIABILITIES</b>		<b><u>588,142,634</u></b>	<b><u>569,278,629</u></b>
<b>EQUITY</b>			
Share capital	17	<b>458,949,280</b>	458,949,280
Statutory reserve	18	<b>14,076,961</b>	14,076,961
(Accumulated losses) retained earnings		<b>(46,861,637)</b>	36,765,081
Fair value reserve	8	<b>141,597,416</b>	118,401,518
Remeasurement reserve of employee benefit obligations	16	<b>1,180,612</b>	(1,493,641)
<b>TOTAL EQUITY</b>		<b><u>568,942,632</u></b>	<b><u>626,699,199</u></b>
<b>TOTAL LIABILITIES AND NET EQUITY</b>		<b><u>1,157,085,266</u></b>	<b><u>1,195,977,828</u></b>

The accompanying notes from 1 to 36 form an integral part of these financial statements.

  
Abdulaziz Ali Al Turki  
Chairman of the Board of  
Directors

  
Mesheal I. Alshayea  
Chief Executive Officer

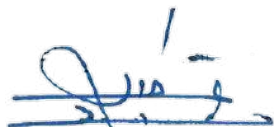
  
Faris Al Habbad  
Chief Financial Officer

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
STATEMENT OF INCOME**

(All amounts expressed in Saudi Riyals unless otherwise stated)

	Note	Year ended 31 December	
		2025	2024
Insurance revenue	19	<b>1,038,197,346</b>	804,752,396
Insurance service expenses	19	<b>(1,063,266,073)</b>	(717,397,356)
Net expense from reinsurance contracts	19	<b>(60,689,417)</b>	(56,755,033)
<b>Insurance service result from Company's directly written business</b>		<b>(85,758,144)</b>	30,600,007
Share of surplus from insurance pools	24	<b>1,758,761</b>	8,290,522
<b>Total insurance service result</b>		<b>(83,999,383)</b>	38,890,529
Interest income from financial assets not measured at FVTPL	20	<b>28,431,241</b>	28,595,668
Interest income from financial assets measured at FVTPL	20	<b>2,568,386</b>	2,581,160
Net credit impairment losses on financial assets	6,7,8,14	<b>(5,953)</b>	(6,318)
Net income (losses) on financial assets measured at FVTPL	8,20	<b>4,133,673</b>	(1,053,167)
Dividend income	20	<b>1,903,602</b>	1,549,259
<b>Net investment income</b>		<b>37,030,949</b>	31,666,602
Finance (expense) income from insurance contracts issued	21	<b>(1,217,238)</b>	764,491
Finance expense from reinsurance contracts held	21	<b>(2,070,489)</b>	(352,156)
<b>Net insurance finance (expense) income</b>		<b>(3,287,727)</b>	412,335
<b>Net insurance and investment result</b>		<b>(50,256,161)</b>	70,969,466
Finance cost	23	<b>(441,318)</b>	(432,741)
Other operating expenses	22	<b>(22,129,239)</b>	(18,985,080)
<b>Total (loss) profit for the year before zakat and income tax</b>		<b>(72,826,718)</b>	51,551,645
Zakat expense	25	<b>(10,800,000)</b>	(7,478,778)
Income tax expense	25	-	(427,351)
<b>NET (LOSS) PROFIT FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS</b>		<b>(83,626,718)</b>	43,645,516
<b>(Losses) earnings per share (expressed in Saudi Riyals per share)</b>			
Basic and diluted (losses) earnings per share	26	<b>(1.82)</b>	0.95

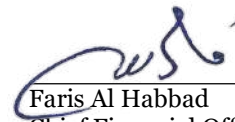
The accompanying notes from 1 to 36 form an integral part of these financial statements.



Abdulaziz Ali Al Turki  
Chairman of the Board of Directors



Mesheal I. Alshayea  
Chief Executive Officer

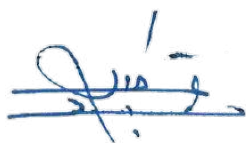


Faris Al Habbad  
Chief Financial Officer

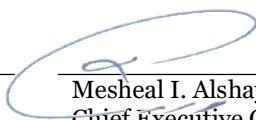
**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

		<u>Year ended 31 December</u>	
	Note	2025	2024
<b>NET (LOSS) PROFIT FOR THE YEAR</b>			
<b>ATTRIBUTABLE TO THE SHAREHOLDERS</b>		<b>(83,626,718)</b>	43,645,516
<b>Other comprehensive income (loss)</b>			
<i>Items that will not be reclassified to the statement of income in subsequent years</i>			
Remeasurement gain (loss) on employee benefit obligations	16	<b>2,674,253</b>	(217,311)
Net changes in fair value of investment measured at FVOCI	8	<b>23,195,898</b>	35,279,169
<b>Total other comprehensive income</b>		<b>25,870,151</b>	35,061,858
<b>TOTAL COMPREHENSIVE (LOSS) INCOME</b>			
<b>FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS</b>		<b>(57,756,567)</b>	78,707,374

The accompanying notes from 1 to 36 form an integral part of these financial statements.



Abdulaziz Ali Al Turki  
Chairman of the Board of  
Directors



Mesheal I. Alshayea  
Chief Executive Officer

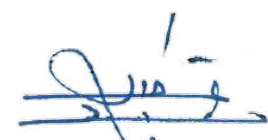


Faris Al Habbad  
Chief Financial Officer

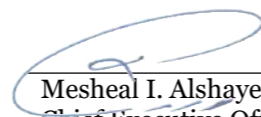
**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**STATEMENT OF CHANGES IN EQUITY**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

	Note	Share capital	Statutory reserve	Retained earnings (Accumulated losses)	Remeasurement reserve of employee benefit obligations	Fair value reserve on investments	Total
<b>Balance at 1 January 2025</b>		<b>458,949,280</b>	<b>14,076,961</b>	<b>36,765,081</b>	<b>(1,493,641)</b>	<b>118,401,518</b>	<b>626,699,199</b>
<b>Total comprehensive (loss) income for the year</b>							
Net loss for the year attributable to the shareholders		-	-	(83,626,718)	-	-	(83,626,718)
Remeasurement gain on employee benefit obligations	16	-	-	-	2,674,253	-	2,674,253
Net changes in fair value of the investments measured at FVOCI	8	-	-	-	-	23,195,898	23,195,898
<b>Total comprehensive (loss) income for the year attributable to the shareholders</b>		-	-	(83,626,718)	2,674,253	23,195,898	(57,756,567)
Transfer to statutory reserve	18	-	-	-	-	-	-
<b>Balance at 31 December 2025</b>		<b>458,949,280</b>	<b>14,076,961</b>	<b>(46,861,637)</b>	<b>1,180,612</b>	<b>141,597,416</b>	<b>568,942,632</b>
<b>Balance at 1 January 2024</b>		<b>458,949,280</b>	<b>5,347,858</b>	<b>1,848,668</b>	<b>(1,276,330)</b>	<b>83,122,349</b>	<b>547,991,825</b>
<b>Total comprehensive income (loss) for the year</b>							
Net profit for the year attributable to the shareholders		-	-	43,645,516	-	-	43,645,516
Remeasurement loss on employee benefit obligations	16	-	-	-	(217,311)	-	(217,311)
Net changes in fair value of the investments measured at FVOCI	8	-	-	-	-	35,279,169	35,279,169
<b>Total comprehensive income (loss) for the year attributable to the shareholders</b>		-	-	43,645,516	(217,311)	35,279,169	78,707,374
Transfer to statutory reserve	18	-	8,729,103	(8,729,103)	-	-	-
<b>Balance at 31 December 2024</b>		<b>458,949,280</b>	<b>14,076,961</b>	<b>36,765,081</b>	<b>(1,493,641)</b>	<b>118,401,518</b>	<b>626,699,199</b>

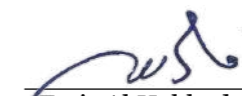
The accompanying notes from 1 to 36 form an integral part of these financial statements.



Abdulaziz Ali Al Turki  
Chairman of the Board of Directors



Mesheal I. Alshayea  
Chief Executive Officer



Faris Al Habbad  
Chief Financial Officer

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
STATEMENT OF CASH FLOWS**

(All amounts expressed in Saudi Riyals unless otherwise stated)

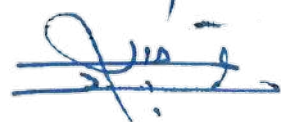
	Note	Year ended 31 December	
		2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Total (loss) profit for the year before zakat and income tax		(72,826,718)	51,551,645
<u>Adjustments for non-cash items:</u>			
Depreciation of property and equipment	12	2,086,158	2,727,416
Amortisation of intangible assets	13	13,612,723	12,326,979
Depreciation of right-of-use assets	11	4,033,684	3,223,173
Finance costs	11,16	1,384,383	1,241,401
Interest income from financial assets not measured at FVTPL	20	(28,431,241)	(28,595,668)
Interest income from financial assets measured at FVTPL	20	(2,568,386)	(2,581,160)
Net credit impairment losses on financial assets		5,953	6,318
Net (income) losses on financial assets measured at FVTPL	8,20	(4,133,673)	1,053,167
Dividend income	20	(1,903,602)	(1,549,259)
Provision for employee benefit obligations	16	3,456,178	3,389,786
Loss on remeasurement of lease liabilities		-	114,190
<b>Changes in operating assets and liabilities:</b>			
Prepaid expenses and other assets	9	1,677,566	(11,497,237)
Changes in reinsurance contract assets	10	(15,717,436)	(11,328,417)
Accrued income on statutory deposit		1,261,872	1,414,092
Accrued and other liabilities	15	(259,929)	2,593,419
Changes in insurance contract liabilities	10	25,270,175	62,464,424
Accrued commission income payable to Insurance Authority		(1,261,872)	(1,414,092)
		(74,314,165)	85,140,177
Employee benefit obligations paid	16	(2,626,138)	(4,156,649)
Zakat and income tax paid	25	(12,205,451)	(16,125,833)
<b>Net cash (outflow) inflow from operating activities</b>		<b>(89,145,754)</b>	<b>64,857,695</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Redemption (placement) of term deposits, net	7	118,027,205	(34,740,817)
Payments for purchases of financial assets at FVTPL	8	(23,133,455)	(5,039,811)
Payments for purchases of financial assets at amortised cost	8	(40,000,000)	(22,000,000)
Proceeds from sale of investments held at FVTPL	8	27,009,694	734,639
Proceeds from maturity of investments held at amortised cost	8	5,000,000	2,000,000
Interest income received from financial assets not measured at FVTPL		6,314,588	5,668,852
Interest income received from financial assets measured at FVTPL		2,617,156	5,719,071
Payments against purchases of property and equipment	12	(466,362)	(2,003,256)
Payments against purchases of intangible assets	13	(2,954,564)	(12,856,209)
<b>Net cash inflow (outflow) from investing activities</b>		<b>92,414,262</b>	<b>(62,517,531)</b>

(continued)

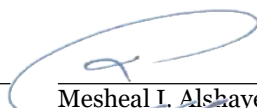
**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**STATEMENT OF CASH FLOWS** (continued)  
(All amounts expressed in Saudi Riyals unless otherwise stated)

	Note	Year ended 31 December	
		2025	2024
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Principal elements of lease payments	11	<b>(3,969,745)</b>	(3,048,380)
Finance cost	11	<b>(441,318)</b>	(432,741)
<b>Net cash outflow from financing activities</b>		<b>(4,411,063)</b>	(3,481,121)
<b>Net decrease in cash and cash equivalents</b>		<b>(1,142,555)</b>	(1,140,957)
Cash and cash equivalents at the beginning of the year	6	<b>53,973,519</b>	55,114,476
<b>Cash and cash equivalents at end of the year</b>	6	<b>52,830,964</b>	53,973,519
<b><u>Supplemental non-cash information:</u></b>			
Net changes in fair value of investment measured at FVOCI	8	<b>23,195,898</b>	35,279,169
Remeasurement gain (loss) on employee benefit obligations	16	<b>2,674,253</b>	(217,311)
Additions of right-of-use assets	11	-	948,236
Modification of right-of-use assets	11	<b>1,391,975</b>	(59,951)
Termination of right-of-use assets	11	<b>(578,404)</b>	(931,122)

The accompanying notes from 1 to 36 form an integral part of these financial statements.



Abdulaziz Ali Al Turki  
Chairman of the Board of  
Directors



Mesheal I. Alshayea  
Chief Executive Officer



Faris Al Habbad  
Chief Financial Officer

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NOTES TO THE FINANCIAL STATEMENTS  
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**1. General information - legal status and principal activities**

*(a) General information*

Gulf Union Alahlia Cooperative Insurance Company (the “Company”) is a Saudi joint stock company registered on 13 Sha’aban 1428H (corresponding to 26 August 2007) under Commercial Registration (“CR”) number 2050056228. The Company’s principal place of business is in Dammam, Kingdom of Saudi Arabia.

The purpose of the Company is to transact cooperative insurance operations and all related activities. Its principal lines of business include medical, motor, general accident, liability, engineering, property, marine and protection insurance.

On 2 Jumada II 1424H, (corresponding to 31 July 2003), the Law on the Supervision of Cooperative Insurance Companies (“Insurance Law”) was promulgated by Royal Decree Number (M/32). On 29 Shaban 1428 H, (corresponding to 11 September 2007), the Saudi Central Bank (“SAMA”), as the principal authority responsible for the application and administration of the Insurance Law and its Implementing Regulations, granted the Company a license to transact insurance activities in the Kingdom of Saudi Arabia.

On 27 Jumada II 1435H, (corresponding to 27 April 2014), the Company received SAMA’s approval of its request to change its license of transacting insurance and reinsurance business to insurance business.

The Company operates through three main branches and various point-of-sale stores located in the Kingdom of Saudi Arabia. Following are the CR numbers of the three branches:

<b>Branch type</b>	<b>Location</b>	<b>CR number</b>
Regional branch	Dammam	2050118944
Regional branch	Jeddah	4030177933
Regional branch	Riyadh	1010238441

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**1. General information - legal status and principal activities** (continued)

*(b) Accumulated losses*

During the year ended 31 December 2025, the Company has reported net loss for the period attributable to shareholders amounting to Saudi Riyals 83.6 million primarily due to the losses recognised in the motor line of business. Further, the Company has net operating cash outflows amounting to Saudi Riyals 89.1 million for the year ended 31 December 2025. This is further analysed as follows:

*(i) Motor*

The insurance service result for the motor line of business experienced a notable decrease from a profit of Saudi Riyals 15.3 million to a loss amounting to Saudi Riyals 100.5 million during the year ended 31 December 2025.

The loss situation primarily resulted from an increase in the frequency of motor claims incurred, particularly driven by an increase in loss ratios within the motor third-party during the year ended 31 December 2025. Further, the Company has also recognised loss component on onerous contract (Also see Note 10).

The Company has formulated and implemented measures during the year ended 31 December 2025, which mainly include better pricing strategies aimed to maximise adequacy ratios and writing quality risk business. Further, the Company expects the impact of measures taken to start reflecting in the coming years.

*(ii) Liquidity position*

With regards to the liquidity position of the Company, the Company has liquid assets comprising cash and cash equivalents, term deposits and financial assets at FVTPL amounting to Saudi Riyals 52.8 million, Saudi Riyals 304.1 million and Saudi Riyals 138.7 million, respectively, as at 31 December 2025 which principally cover the Company's third-party liabilities as at 31 December 2025.

*(c) Going concern*

Management has performed an assessment of its going concern assumption and based on the approved business plan of the Company, management believes that the Company will be able to continue its operations and meet its obligations as they fall due within the next 12 months. Accordingly, these financial statements are prepared on a going concern basis.

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**1. General information - legal status and principal activities (continued)**

*(d) Shareholding percentage*

The shareholding percentage of the Company at 31 December 2025 and 2024 was as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Shareholding percentage subject to zakat (%)	<b>99</b>	99
Shareholding percentage subject to income tax (%)	<b>1</b>	1
	<b>100</b>	100

**2. Basis of preparation**

*a) Statement of compliance*

These financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organisation for Chartered and Professional Accountants (SOCPA).

As required by the Insurance Law, the Company maintains separate books of accounts for insurance operations and shareholders' operations. Assets, liabilities, revenues and expenses clearly attributable to either activity is recorded in the respective accounts. The basis of allocation of expenses from joint operations is determined and approved by the management and the Board of Directors of the Company.

In accordance with the requirements of the Insurance Law issued by SAMA and as per by-laws of the Company, shareholders of the Company are to receive 90% of the annual surplus from insurance operations and the policyholders are to receive the remaining 10%. Any deficit arising from insurance operations is transferred to the shareholders' operations in full. Surplus entitled to the policyholders is part of insurance service expenses.

The statements of financial position, statements of income, statement of comprehensive income and cash flows of the insurance operations and shareholders' operations which are presented under supplementary information to the financial statements are to comply with the requirements of the guidelines issued by the Insurance Law and is not required by International Financial Reporting Standards. The Insurance Law require the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders' operations. Accordingly, the statements of financial position, statements of income, comprehensive income and cash flows prepared for the insurance operations and shareholders' operations as referred to above, reflect only the assets, liabilities, income, expenses and comprehensive gains or losses of the respective operations. Moreover, the details relating to the gross written premium is also disclosed under Note 32 of these financial statements to comply with the requirements of the Regulator.

In preparing the Company's financial statements in compliance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia, the balances and transactions of the insurance operations are amalgamated and combined with those of the shareholders' operations. Inter-operation balances, transactions and unrealised gains or losses, if any, are eliminated in full during amalgamation. The accounting policies adopted for the insurance operations and shareholders' operations are uniform for like transactions and events in similar circumstances.

*(b) Basis of measurement*

The financial statements are prepared under the going concern basis and the historical cost convention, except as explained in the relevant accounting policies in these financial statements.

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**2. Basis of preparation** (continued)

*(c) Basis of presentation*

The Company's statement of financial position is not presented using a current and non-current classification and is presented in order of liquidity. However, the following balances would generally be classified as current: cash and cash equivalents, financial assets at fair value through profit or loss ("FVTPL"), prepaid expenses and other assets, accrued income on statutory deposit, accrued and other liabilities, zakat and income tax payable and accrued commission income payable to insurance authority. The following balances would generally be classified as non-current: financial assets at fair value through other comprehensive income ("FVOCI"), financial assets at amortised cost, property and equipment, right-of-use assets, goodwill, intangible assets, statutory deposit, and employee benefit obligations. The balances which are of mixed in nature i.e. include both current and non-current portions include term deposits, insurance contract liabilities, reinsurance contract assets and lease liabilities.

*(d) Functional and presentation currency*

These financial statements are expressed in Saudi Arabian Riyals ("Saudi Riyals") which is the functional and presentation currency of the Company.

*(e) Seasonality of operations*

There are no seasonal changes that may affect the insurance operations of the Company.

*(f) Changes in products and services*

During the year ended 31 December 2025, there were no significant changes in products or services and their terms of the insurance contracts offered by the Company.

**3. Material accounting policy information**

The material accounting policies applied in the preparation of these financial statements are summarised below, these policies have been consistently applied to each of the years.

**3.1 New and amended standards adopted by the Company**

There were no new standards or amendments to standards and interpretations that become applicable for the current reporting period, except for the amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates'. This amendment is applicable when an entity has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. The transactions in foreign currencies entered by the Company in the normal course of its operations are not exposed to lack of exchangeability and consequently, the Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting this amendment.

**3.2 New standards, amendments and interpretations not yet applied by the Company**

The Company has chosen not to early adopt the following new standards, interpretations and amendments to existing standards which have been issued but not yet effective and is currently assessing their impact.

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**3. Material accounting policy information** (continued)

**3.2 New standards, amendments and interpretations not yet applied by the Company**  
(continued)

- **Amendments to the Classification and Measurement of Financial Instruments -  
Amendments to IFRS 9 and IFRS 7**

These amendments address the classification and measurement of financial instruments and related disclosures. The key changes include adjustments to the treatment of financial instruments, particularly in relation to the measurement of certain hybrid contracts, and more detailed disclosures related to financial instruments under IFRS 7. These amendments are designed to provide more transparency in how financial instruments are classified and measured.

Effective date:

Annual periods beginning on or after 1 January 2026.

Impact assessment

Management is currently in the process of assessing the impact of these amendments, however, no material impact is expected based on the current operations of the Company.

- **Annual improvements to IFRS - Volume 11**

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards.

Effective date:

Annual periods beginning on or after 1 January 2026 with earlier application permitted.

Impact assessment

Management is currently in the process of assessing the impact of these improvements, however, no material impact is expected based on the current operations of the Company.

- **IFRS 18 - Presentation and Disclosure in Financial Statements**

IFRS 18 introduces updates related to the presentation and disclosure of financial information in financial statements. The amendments focus on improving the consistency and comparability of financial statement presentations across entities, including changes in the presentation of income, expenses, and liabilities. The goal is to enhance the clarity and transparency of financial reporting.

Effective date:

Annual periods beginning on or after 1 January 2027.

Impact assessment

Management is currently in the process of assessing the impact of this new standard.

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**3. Material accounting policy information** (continued)

**3.2 New standards, amendments and interpretations not yet applied by the Company**  
(continued)

- **IFRS 19 - Subsidiaries without Public Accountability: Disclosures**

IFRS 19 introduces new disclosure requirements for subsidiaries that do not have public accountability. The standard requires these subsidiaries to provide additional disclosures related to financial performance, position, and cash flows, thereby enhancing transparency for users of the financial statements. The disclosures aim to provide a clearer picture of the financial health of subsidiaries without public accountability.

Effective date:

Annual periods beginning on or after 1 January 2027.

Impact assessment

Management has assessed the applicability of this new standard and concluded that it does not apply to the Company since the Company has public accountability.

- **IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity**

These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity.

Effective date:

Annual periods beginning on or after 1 January 2026.

Impact assessment

Management has assessed the applicability of this new standard and concluded that it does not apply to the Company.

- **Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency**

The entity applies the amendments if:

- Its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or
- It is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy

Effective date:

Annual periods beginning on or after 1 January 2027.

Impact assessment

Management is currently in the process of assessing the impact of this amendment, however, no material impact is expected.

The material accounting policies used in the preparation of these financial statements are summarised below, these policies have been consistently applied to each of the years.

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**3. Material accounting policy information** (continued)

**3.3 Insurance and reinsurance contracts**

*i. Classification and summary of measurement models*

The Company issues insurance contracts that transfer insurance risk. Insurance contracts are those contracts where the insurer accepts significant insurance risk from the policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. Cash flows from insurance contracts are split into Liability for Incurred Claims (“LIC”) and Liability for Remaining Coverage (“LRC”).

The Company issues non-life insurance to individuals and businesses. Non-life insurance products offered include medical, motor, liability, engineering, property, general accident, marine and protection. These products offer protection of policyholder’s assets and indemnification of other parties that have suffered damage as a result of a policyholder’s accident. The Company does not issue any contracts with direct participating features.

In the normal course of business, the Company uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all of the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

None of the insurance contracts issued by the Company contain embedded derivatives, investment components or any other goods and services.

*ii. Level of aggregation*

The Company identifies portfolios of insurance contracts. Each portfolio comprises contracts that are subject to similar risks and managed together, and is divided into three groups:

- Any contracts that are onerous on initial recognition;
- Any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
- Any remaining contracts in the portfolio.

The portfolios are further divided by year of issue.

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

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Company tracks internal management information reflecting historical experiences of such contracts’ performance. This information is used for setting pricing of these contracts such that they result in reinsurance contracts held in a net cost position without a significant possibility of a net gain arising subsequently.

The Company assumes that no contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Company assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. This assessment is performed at a policyholder-pricing-groups level.

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**3. Material accounting policy information** (continued)

**3.3 Insurance and reinsurance contracts** (continued)

*iii Recognition*

The Company recognises a group of insurance contracts issued from the earliest of the following:

- The beginning of the coverage period of the group of contracts.
- The date when the first payment from a policyholder in the group becomes due. If there is no contractual due date, then it is considered to be the date when the first payment is received from the policyholder.
- For a group of onerous contracts, the date when facts and circumstances indicate that the group to which an insurance contract will belong is onerous.

The Company recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

- For reinsurance contracts that provide proportionate coverage, at the later of:
  - (i) *the beginning of the coverage period of the group of reinsurance contracts and*
  - (ii) *the initial recognition of any underlying contract.*
- All other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the group of reinsurance contracts;

However, if the Company entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognised prior to the beginning of the coverage period of the group of reinsurance contracts held, the reinsurance contract held, in this case, is recognised at the same time as the group of underlying insurance contracts is recognised.

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

*iv Contract boundaries*

The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period under which the Company can compel the policyholder to pay premiums or has a substantive obligation to provide services.

A substantive obligation to provide services ends when:

- i) *The Company has the practical ability to reassess the risks of the particular policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or*
- ii) *Both of the following criteria are satisfied*
  - The Company has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio; and
  - the pricing of the premiums for coverage up to the reassessment date does not take into account risks that relate to periods after the reassessment date.

The contract boundary is reassessed at each reporting date and, therefore, may change over time.

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**3. Material accounting policy information** (continued)

**3.3 Insurance and reinsurance contracts** (continued)

*v Measurement*

The general measurement model (“GMM”), also known as the building block approach, consists of the fulfilment cash flows and the contractual service margin. This is the default model under IFRS 17 to measure insurance contracts. However, the Premium Allocation Approach (“PAA”), which is a simplified measurement model, is permitted if, and only if, at the inception of the group:

- The entity reasonably expects that such simplification would produce a measurement of the liability for remaining coverage for the group that would not differ materially from the one that would be produced applying the general measurement model requirements or

- The coverage period of each contract in the group (including insurance contract services arising from all premiums within the contract boundary determined at that date) is one year or less.

The Company uses the PAA to simplify the measurement of groups of contracts on the following bases:

• Insurance contracts:

The coverage period of medical, motor, property and protection contracts in the group of contracts is one year or less. PAA eligibility testing has been performed for the engineering and general accident group of contracts. The Company reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA would not differ materially from the measurement that would be produced applying the general measurement model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

• Reinsurance contracts:

The Company reasonably expects that the resulting measurement under the PAA measurement model would not differ materially from the result of applying the general measurement model.

The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the year before a claim is incurred.

*Measurement on initial recognition under PAA:*

On initial recognition of each group of contracts that are not onerous, the carrying amount of the LRC is measured at the premiums received on initial recognition less any acquisition cash flows paid.

For reinsurance contracts held, on initial recognition, the Company measures the remaining coverage at the amount of ceding premiums paid, plus broker fees paid to a party other than the reinsurer.

*Subsequent measurement under PAA:*

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- a. the LRC; and
- b. the LIC, comprising the fulfilment cash flows (“FCF”) related to past service allocated to the group at the reporting date.

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**3. Material accounting policy information** (continued)

**3.3 Insurance and reinsurance contracts** (continued)

*v Measurement* (continued)

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- a. *the remaining coverage; and*
- b. *the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date*

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- a. *increased for premiums received in the year, excluding amounts that relate to premium receivables included in the LIC;*
- b. *decreased for insurance acquisition cash flows paid in the year*
- c. *decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the year; and*
- d. *increased for the amortisation of insurance acquisition cash flows in the year recognised as insurance service expenses.*

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- a. *increased for ceding premiums paid in the year;*
- b. *increased for broker fees paid in the year; and*
- c. *decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the year*

On initial recognition of each group of contracts, the Company expects that the time between providing each part of the coverage and the related premium due date is no more than a year.

The liability for remaining coverage is discounted to the extent of loss component.

The Company estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. Fulfilment cash flows comprise estimates of future cash flows, an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows, and a risk adjustment for non-financial risk.

The fulfilment cash flows are adjusted for the time value of money and the effect of financial risk (using current estimates) if the liability for incurred claims is also adjusted for the time value of money and the effect of financial risk.

Some insurance contracts permit the Company to sell (usually damaged) assets acquired in settling a claim (for example, salvage). The Company may also have the right to pursue third parties for payment of some or all costs (for example, subrogation).

Estimates of salvage recoveries are included in the estimates of claims liability as it can reasonably be recovered from the disposal of the asset.

Onerous contract assessment:

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the Company recognises a loss in insurance service expense and increases the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows, determined under the GMM, that relate to remaining coverage (including the risk adjustment for non-financial risk) exceed the carrying amount of the liability for remaining coverage. A loss component will be established for the amount of the loss recognised. Subsequently, the loss component will be remeasured at each reporting date as the difference between the amounts of the fulfilments cash flows determined under the GMM relating to the future service and the carrying amount of the LRC without the loss component.

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**3. Material accounting policy information** (continued)

**3.3 Insurance and reinsurance contracts** (continued)

*v Measurement* (continued)

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses. The Company calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from the group of reinsurance contracts held. The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

The Company had identified onerous contracts on initial recognition from the motor and medical product lines on the basis of combined ratios derived from both the current and past years.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Company applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Non-performance risk (NPR) adjustment:

The Company measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in the statement of income.

*vi De-recognition and contract modification*

The Company derecognises a contract when it is extinguished i.e. when the specified obligations in the contract expire or are discharged or cancelled. The Company also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then the Company treats the changes in cash flows caused by the modification as changes in the estimates of fulfilment cash flows. There were no instances of modification or derecognition identified during the year ended 31 December 2025.

*vii Insurance Acquisition cash flows & Attributable Costs*

Insurance acquisition cash flows are the costs that directly associated with selling and handling acquired businesses. The company considers underwriting, sales, and regulatory levies as acquisition costs. Acquisition costs are not expensed when incurred and are deferred over the life of the insurance contract. While attributable costs are the costs that can fully or partially attributed to the insurance operations. The company has in place allocation technique to allocate the costs based on direct to indirect costs ratio. Both acquisition cash flows and attributable costs fall under the insurance service expense. While the non-attributable costs are reported under other operating expenses.

*viii Risk adjustments for non-financial risk*

The Company has decided to adopt the Value at risk method on incurred claims for the estimation of risk adjustment. The Company has chosen a confidence level based on the 75th percentile of the distribution of the claim reserves, considering this level is adequate to cover sources of uncertainty about the amount and timing of the cash flows. While for premium risk, Solvency II approach is used to derive the risk with the same percentile as the claim reserves.

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**3. Material accounting policy information** (continued)

**3.3 Insurance and reinsurance contracts** (continued)

*ix Presentation*

Groups of insurance contracts that are assets and those that are liabilities, and groups of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. The Company recognised in the statement of income (a) an insurance service result, comprising insurance revenue, insurance service expenses and net income (expenses) from reinsurance contract, and (b) insurance finance income or expenses.

The Company does not disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk are included in the insurance service result.

*Insurance revenue:*

The insurance revenue for each year is the amount of expected premium receipts for providing coverage in the period. The Company allocates the expected premium receipts to each year on the passage of time except for engineering contracts with coverage exceeding one year, where the allocation is determined based on the risk profile. The impact of seasonality is not considered material in relation to recording the insurance revenue.

*Insurance service expenses:*

Insurance service expenses include the following:

- a incurred claims for the year.*
- b other incurred directly attributable expenses.*
- c insurance acquisition cash flows amortisation.*
- d changes that relate to past service – changes in the FCF relating to the LIC.*
- e changes that relate to future service – changes in the FCF that result in onerous contract losses or reversals of those losses.*

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

*Net expenses from reinsurance contracts:*

Net expenses from reinsurance contracts comprise reinsurance expenses less amounts recovered from reinsurers. The Company recognises reinsurance expenses as it receives coverage or other services under groups of reinsurance contracts. For contracts measured under the PAA, the Company recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts' in the insurance service result.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery.

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**3. Material accounting policy information** (continued)

**3.3 Insurance and reinsurance contracts** (continued)

*ix Presentation (continued)*

*Share of surplus from insurance pools:*

This co-insurance arrangement, in which the Company is a participant, is an insurance contract as defined in IFRS 17, and the Company has accordingly applied the recognition and measurement principles of IFRS 17. Given the bespoke nature of the arrangement and given that the rights and obligations from the arrangement are managed and settled on a net basis, the Company has accordingly presented the results from the arrangement on a net basis in insurance service results as a separate line item on the statement of comprehensive income and has provided more details in the Note 24.

*Insurance finance income and expenses:*

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk, and changes therein.

The Company includes all insurance finance income or expenses for the year in statement of income.

**3.4 Financial assets and liabilities**

*i Initial recognition*

At initial recognition, the Company measures financial assets at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transactions costs that are directly attributable to the acquisition of financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss (“ECL”) allowance is recognised for financial assets measured at amortised cost and investments measured at FVOCI.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

- a. When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (that is, a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- b. In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument’s fair value can be determined using market observable inputs, or realised through settlement.

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**3. Material accounting policies** (continued)

**3.4 Financial assets and liabilities** (continued)

**Amortised cost and effective interest rate**

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective profit method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, contributions or discounts and fees and points paid or received that are integral to the effective profit rate, such as origination fees.

Interest income is recognised using the effective profit rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit impaired, profit income is recognised by applying the effective interest rate to the net carrying value of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

*ii Classification and subsequent measurement of financial assets*

The Company classifies its financial assets in the following measurement categories:

- Fair value through through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI)
- Held at amortised cost.

The classification requirements for debt and equity instruments are described below:

**Debt instruments**

Classification and subsequent measurement of debt instruments depend on:

- (i) *the Company's business model for managing the financial assets; and*
- (ii) *the contractual cash flow characteristics of the financial assets.*

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**3. Material accounting policies** (continued)

**3.4 Financial assets and liabilities** (continued)

*ii Classification and subsequent measurement of financial assets* (continued)

**Debt instruments** (continued)

*Business model:*

The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

Factors considered by the Company in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. For example, the liquidity portfolio of assets, which is held by the Company as part of liquidity management and is generally classified within the hold to collect and sell business model. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVTPL.

*Solely payments of principal and profit:*

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and profit. In making this assessment, the Company considers whether the contractual cash flows are consistent with the financing agreement i.e. profit includes only consideration for the time value of resources, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

The Company exercises judgment in determining whether the contractual terms of financial assets it originates or acquires give rise on specific dates to cash flows that are solely payments of principal and profit income on the principal outstanding and so may qualify for amortised cost measurement. In making the assessment the Company considers all contractual terms, including any prepayment terms or provisions to extend the maturity of the assets, terms that change the amount and timing of cash flows and whether the contractual terms contain leverage. Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

*Amortised cost:*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and profit, and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised. Profit income from these financial assets is included in 'Interest income' using the effective profit method.

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**3. Material accounting policies** (continued)

**3.4 Financial assets and liabilities** (continued)

*ii Classification and subsequent measurement of financial assets* (continued)

**Debt instruments** (continued)

**FVOCI:**

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and profit, and that are not designated at FVTPL, are designated as FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, special interest income and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Profit income from these financial assets is included in 'Interest income' using the effective profit method. Currently no debt instrument is classified as FVOCI.

**FVTPL:**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL presented in profit or loss in the year in which it arises. Currently investment in mutual funds and Sukuk which failed SPPI assessment are classified as FVTPL.

The Company reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are not expected to be frequent and no such instances have occurred during the year ended 31 December 2025.

The Company determined that the business model for one of the portfolios of debt instruments, which is separately managed from the rest of the investments, should be hold to collect. This portfolio is expected to be held to maturity of the bonds and to collect the cash flows and there were no sales in 2025, 2024 and 2023 (except for maturity) in these portfolios and there are not expected to be any sales (except for maturity) which would result in the business model not being considered hold to collect. The portfolio's fair values are not monitored nor are there expectation to manage the yield of these instruments. Furthermore, these investments are not part of the assets used for liquidity purposes of the insurance contracts.

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**3. Material accounting policies** (continued)

**3.4 Financial assets and liabilities** (continued)

*ii Classification and subsequent measurement of financial assets* (continued)

**Equity instruments:**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Company classifies all equity investments at FVTPL, except where the Company's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Company's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, transaction costs are made part of the cost at initial recognition and subsequent fair value gains and losses (unrealised) are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. The Company has designated its investment in Najm for Insurance Services Company ("Najm"), a Saudi Closed Joint Stock Company, as FVOCI.

Dividends, when representing a return on such investments, continue to be recognised in the statement of income as 'Dividend income' when the Company's right to receive payments is established.

Any gain or loss on the disposal of equity classified as FVOCI will be non- recycling i.e. on disposal, fair value movement residing in OCI will be moved directly from OCI to retained earnings.

*iii Settlement date accounting*

All regular way purchases and sales of financial assets are recognised / derecognised on the settlement date (i.e. the date on which the financial assets is delivered to or by an entity). Regular way purchases or sales of financial assets are transactions that require settlement of assets within the time frame generally established by regulation or convention in the marketplace.

*iv Impairment of financial assets*

The Company assesses on a forward-looking basis the ECL associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Premiums receivable balances have been classified under insurance contract liabilities and the reinsurers' receivable balances and reinsurers' share of outstanding claims and claims incurred but not reported have been classified under reinsurance contract assets, as rights and obligations under insurance contracts are accounted for under IFRS 17 because the policyholder transfers significant insurance risk to the insurer rather than financial risk, which are in the scope of IFRS 17 for impairment.

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**3. Material accounting policies** (continued)

**3.4 Financial assets and liabilities** (continued)

*iv Impairment of financial assets* (continued)

The Company applies the three-stage model for impairment of financial assets measured at amortised cost and FVOCI, based on changes in credit quality since initial recognition.

Stage 1 (“Performing”) includes financial assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these financial assets, 12-month ECL are recognised and financial income is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). A 12-month ECL is the ECL that results from default events that are possible within 12-months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset, weighted by the probability that the loss will occur in the next 12-months.

Stage 2 (“Under-performing”) includes financial assets that have had a significant increase in credit risk since initial recognition, but do not have objective evidence of impairment. A significant increase in credit risk is presumed if a receivable is more than 30 days past due. For these financial assets, lifetime ECL are recognised, but financial income is still calculated on the gross carrying amount of the asset. Lifetime ECL is the ECL that results from all possible default events over the maximum contractual period during which the Company is exposed to credit risk. ECL is the weighted average credit losses, with the respective risks of a default occurring as the weights.

Stage 3 (“Non-performing”) includes financial assets that have objective evidence of impairment at the reporting date. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. For these financial assets, lifetime ECL are recognised and financial income is calculated on the net carrying amount (that is, net of credit allowance).

The Company, when determining whether the credit risk on a financial asset has increased significantly, considers reasonable and supportable information available (e.g. days past due, customer credit scoring etc.), in order to compare the risk of a default occurring at the reporting date with the risk of a default occurring at initial recognition of the financial asset.

Financial assets are written-off only when there is no reasonable expectation of recovery.

*Credit impaired financial asset*

At each reporting date, the Company will assess whether financial assets carried at amortised cost and fair value through other comprehensive income (FVOCI) are credit impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial asset have occurred.

*ECL methodology*

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss); unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months’ expected credit loss.

Lifetime expected credit losses represent ECL that would result from all possible default events over the expected life of the financial asset whereas 12 month expected credit losses are those life expected credit losses expected to occur within 12 months of statement of financial position date. Both lifetime ECLs and 12-month ECLs will be calculated on an individual basis depending on the nature of the underlying portfolio of financial instruments.

ECL is computed based on the parameters namely Probability of Default, Loss Given Default and Exposure at Default values. ECL is discounted by an appropriate rate to get the Present Value of ECL.

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**3. Material accounting policies** (continued)

**3.4 Financial assets and liabilities** (continued)

*iv Impairment of financial assets* (continued)

*Probability of Default (“PD”)*

The probability of default is an estimate of the likelihood of default over a given time horizon.

*Loss Given Default (“LGD”)*

Loss given default inputs are determined by class of financial instrument based on market observable information or historical experience of loss and recovery rates for similar financial instruments and other relevant industry data.

*Exposure at Default (“EAD”)*

The exposure at default is an estimate of the exposure at a future default date.

*Forward looking estimate*

While estimating the ECL, the Company will review macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company will analyze the relationship between key economic trends with the estimate of PD.

Where financial assets are written-off, the Company continues to engage enforcement activities to attempt to recover the receivable due. Recoveries made, after write-off, are recognized in statement of income.

Impairment losses on financial assets are presented separately on the statement of income.

Financial assets that are subject to impairment consist of investment portfolio (debt instruments) and cash and cash equivalents.

*v Derecognition of financial assets*

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Company transfers substantially all the risks and rewards of ownership, or (ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

The Company enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in statement of income.

*vi Classification and subsequent measurement of financial liabilities*

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are recognized initially at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these are measured at amortised cost using the effective profit method.

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**3. Material accounting policies** (continued)

**3.4 Financial assets and liabilities** (continued)

*vii Derecognition of financial liabilities*

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of income.

**3.5 Interest income from financial assets not measured at FVTPL and dividend income**

Interest income from financial assets not measured at FVTPL on short-term deposits and long-term deposits is recognised on a time proportion basis using the effective interest rate method and are disclosed under 'Interest income from financial assets not measured at FVTPL' in statement of income. Dividend income is recognised when the right to receive a dividend is established under 'Dividend income' in the statement of income.

**3.6 Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position only when there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expense are not offset in the statement of income unless required or permitted by any accounting standard or interpretation.

**3.7 Foreign currencies**

Transactions in foreign currencies are recorded in Saudi Riyals at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to Saudi Riyals at the rate of exchange prevailing at the reporting date. All differences are taken to the statements of income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. Foreign exchange gains or losses on investments carried at FVTPL are recognised in the statement of income. As the Company's foreign currency transactions are primarily in US dollars, foreign exchange gains and losses are not significant.

**3.8 Dividend distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders.

**3.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand and with banks and other short-term highly liquid investments, if any, with less than three months maturity from the placement date.

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**3. Material accounting policies (continued)**

**3.10 Term deposits**

Short-term deposits are placed with local banks and financial institutions with an original maturity of more than three months but less than or equal to twelve months from the date of placement.

Long-term deposit represents deposit with maturity of more than one year from the reporting date and is placed with a financial institution carrying commission income.

**3.11 Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and any impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of income during the financial year in which they are incurred.

The assets' residual values and useful lives are reviewed at each reporting date and adjusted if appropriate. The carrying values of these assets are reviewed for impairment when event or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in the statement of income.

**3.12 Intangible assets and Goodwill**

Intangible assets represent computer software and are measured at cost. Intangible assets with a finite useful life are amortised over their estimated useful life in accordance with the pattern of expected consumption of economic benefits. Intangible assets with an infinite useful life are not subject to amortisation but are tested for impairment at each statement of financial position date or more often if there is an indication of impairment. Intangible assets with a finite life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill arising on acquisition of a business is presented as a separate financial statement line item on the statement of financial position.

Goodwill arising on acquisition of a business is carried at cost as at the acquisition date. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the merger date, allocated to the cash-generating units ("CGU") that are expected to benefit from the synergies of the combination and represents the lowest level at which goodwill is monitored for internal management purposes. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on pro-rata based on the carrying amount of each asset in the CGU.

Any impairment loss is recognised immediately in the statement of income. Impairment of goodwill is not subsequently reversed.

Intangible assets acquired separately are initially recognised and measured at cost. Following initial recognition, intangible assets are measured at cost less accumulated amortisation and impairment losses, where applicable.

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**3. Material accounting policies (continued)**

**3.13 Leases**

***Lease liabilities***

The lease liability is initially measured at the net present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the Right of Use ("RoU") asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the individual lessee, which does not have recent third-party financing, and
- makes adjustments specific to the lease, for example term, country, currency and security.

Lease liabilities include the net present value of the following lease payments:

- fixed lease payments, less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest rate method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related RoU asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due; and
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

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**3. Material accounting policies (continued)**

**3.14 Leases (continued)**

***RoU***

The RoU comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37 “Provisions, contingent liabilities and contingent assets”.

**3.14 Prepaid expenses and other assets**

Prepaid expenses represent expenses not yet incurred but already paid in cash. Prepaid expenses and other assets are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to statement of income as they are consumed or expire with the passage of time.

**3.15 Accrued and other liabilities**

Accrued expenses and other liabilities are recognised for amounts to be paid in the future for services received and billed to the Company except in case of accrued expenses recognised when it is not billed.

**3.16 Provisions**

Provisions are recognised when the Company has an obligation (legal or constructive) arising from past events, and the costs to settle the obligation are both probable and may be measured reliably. Provisions are not recognised for future operating losses. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of income net of any reimbursement.

**3.17 Employee benefit obligations**

The Company operates a single post-employment benefit scheme of defined benefit plan driven by the labor laws and workman laws of the Kingdom of Saudi Arabia which is based on most recent salary and number of service years.

The post-employment benefits plan is not funded. Accordingly, valuations of the obligations under the plan are carried out by an independent actuary based on the projected unit credit method. The costs relating to such plans primarily consist of the present value of the benefits attributed on an equal basis to each year of service and the interest on this obligation in respect of employee service in previous years.

Current and past service costs related to post-employment benefits are recognised immediately in the statement of income and while unwinding of the liability at discount rates used are recorded in the statement of income. Any changes in net liability due to actuarial valuations and changes in assumptions are taken as re-measurement in the statement of comprehensive income.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in the statement of comprehensive income and transferred to retained earnings in the statement of changes in equity in the year in which they occur.

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**3. Material accounting policies** (continued)

**3.18 Employee benefit obligations** (continued)

Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognised immediately in statement of income as past service costs. End of service payments are based on employees' final salaries and allowances and their cumulative years of service, as stated in the labor law of Saudi Arabia.

**3.19 Zakat and tax**

The Company is subject to zakat and income tax in accordance with the regulations of the Zakat, Tax, and Customs Authority ("ZATCA"). Zakat is computed on the Saudi shareholders' share of equity or net income using the basis defined under the Zakat regulations. Income taxes are computed on the foreign shareholders' share of adjusted net income for the year. Additional amounts payable, if any, at the finalization of final assessments are accounted for when such amounts are determined.

*a) Zakat*

The Company is subject to zakat in accordance with the regulations of the ZATCA. Zakat expense is charged to the statement of income. Zakat is not accounted for as income tax and as such no deferred tax is calculated relating to zakat.

*b) Income and withholding taxes*

The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, and is charged to the statement of income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Adjustments arising from the final income tax assessments are recorded in the year in which such assessments are made.

**4. Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with International Financial Reporting Standard requires the use of certain critical estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve-month period are discussed below:

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**4. Significant accounting judgements, estimates and assumptions (continued)**

*(i) Estimates of future cash flows to fulfil insurance contracts*

In estimating future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experiences, updated to reflect current expectations of future events. The estimates of future cash flows reflect the Company's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

The estimates of these future cash flows are based on probability-weighted expected future cash flows. The Company estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Company uses information about past events, current conditions and forecasts of future conditions. The Company's estimate of future cash flows is the mean of a range of scenarios that reflect the full range of possible outcomes. Each scenario specifies the amount, timing and probability of cash flows. The probability-weighted average of the future cash flows is calculated using a deterministic scenario representing the probability-weighted mean of a range of scenarios.

When estimating future cash flows, the Company takes into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not taken into account until the change in legislation is substantively enacted. Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Company has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include claims handling, maintenance and administration costs, and recurring commissions payable on instalment premiums receivable within the contract boundary. Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads. Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics. Other costs are recognised in profit or loss as they are incurred.

Where estimates of expenses-related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis. The Company has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. Expenses of an administrative policy maintenance nature are allocated to groups of contracts based on the number of contracts in force within groups. The Company performs regular expense studies to determine the extent to which fixed and variable overheads are directly attributable to fulfill the insurance contracts.

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**4. Significant accounting judgements, estimates and assumptions (continued)**

*(ii) Discounting methodology*

Discount rates are primarily used to adjust the estimates of future cash flows to reflect the time value of money and other financial risks to accrete interest on the liability for incurred claims.

The bottom-up approach was used to derive the discount rate. Under this approach, the USD based risk free discount rates by The European Insurance and Occupational Pensions Authority (EIOPA) were used as a starting point for preparing the yield curve. The Company then further added a KSA country risk premium from the source to make the yield curve appropriate for application. The Company used the USD volatility adjustment reported by EIOPA for Solvency II as a proxy for illiquidity premium.

The Company had discounted the liability for incurred claims for all groups of insurance contracts. The yield curves that were used to discount the estimates of future cash flows that do not vary based on the returns of the underlying items are as follows:

<b>31 December 2025</b>	<b>Currency</b>	<b>1 year</b>	<b>2 years</b>	<b>3 years</b>	<b>4 years</b>	<b>5 years</b>
Insurance contracts issued and reinsurance contracts held	Saudi Riyals	<b>4.58%</b>	<b>4.46%</b>	<b>4.49%</b>	<b>4.55%</b>	<b>4.62%</b>

<b>31 December 2024</b>	<b>Currency</b>	<b>1 year</b>	<b>2 years</b>	<b>3 years</b>	<b>4 years</b>	<b>5 years</b>
Insurance contracts issued and reinsurance contracts held	Saudi Riyals	<b>5.35%</b>	<b>5.26%</b>	<b>5.23%</b>	<b>5.21%</b>	<b>5.19%</b>

*(iii) Risk adjustments for non-financial risks*

The Company adjusted the estimate of the present value of the future cash flows to reflect the compensation that the entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk. So, the purpose of the risk adjustment for non-financial risk is to measure the effect of uncertainty in the cash flows that arise from insurance contracts, other than uncertainty arising from financial risk.

The risks covered by the risk adjustment for non-financial risk are insurance risk and other non-financial risks such as lapse risk and expense risk.

The Company adopted the PAA simplification for the calculation of liability for remaining coverage. Therefore, risk adjustment for liability for remaining coverage will only be estimated in case a group of contracts is recognised as onerous.

There is no prescribed approach for determining the risk adjustment for non-financial risk for each group of insurance contracts. Applying a confidence level technique, the Company estimated the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculated the risk adjustment for non-financial risk as the excess of the value at risk at 75<sup>th</sup> percentile (the target confidence level) over the expected present value of the future cash flows.

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**4. Significant accounting judgements, estimates and assumptions (continued)**

*(iv) Onerosity determination*

Under the PAA, the Company assumed no contracts in the portfolio are onerous at initial recognition unless “facts and circumstances” indicate otherwise. The Company performed the assessment of onerous contracts on an annual and underwriting year basis, in conjunction with updated information on product profitability. Furthermore, the assessment shall be repeated if “facts and circumstances” indicate that there are significant changes in product pricing, product design, plans and forecasts.

This level of granularity determines sets of contracts. The Company uses significant judgement to determine at what level of granularity the Company has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

The Company established a process to determine onerous, potentially onerous and profitable contracts by assessing the profitability of the different portfolios at the start of the underwriting year. The profitability of each portfolio shall be assessed separately. Refer Note 3.3 for further details in this regard.

*(v) Estimates for expected premium receipts*

The Company has developed a methodology for expected premium receipts based on provision matrix approach. Such balances are part of insurance contract liabilities in line with the requirements of IFRS 17. To measure the estimates, such balances have been grouped based on shared credit risk characteristics for respective policyholder base portfolio and the days past due. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors, affecting the ability of the customers to settle the receivables. The Company has identified the Gross domestic product and the inflation rate of the country in which it operates to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

*(vi) Fair value of financial instruments*

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and to make assumptions that are mainly based on market conditions existing at the end of each reporting period. Refer to Note 28 for details relating to fair valuation techniques and a sensitivity analysis in relation to the significant assumptions.

*(vii) Impairment of goodwill*

The Company’s management tests, at each reporting date, whether goodwill arising on merger has suffered any impairment. This requires an estimation of the recoverable amount of the CGU to which goodwill has been allocated. The key assumptions used in determining the recoverable amounts are set out in Note 5.

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**4. Significant accounting judgements, estimates and assumptions (continued)**

*(viii) Presentation of the Share of surplus from insurance pools*

IFRS 17 does not have specific requirements on the presentation of assigning insurance income and expenses, and insurance assets and liabilities when an insurance contract is issued by more than one entity. Accordingly, the Company applied the requirements in IAS 8 in developing a policy for the presentation of the arrangement in which it is a co-insurer (refer to Note 24). The Company analysed the contractual terms of the arrangement policy and concluded that given the nature and substance of the arrangement, it is appropriate to present the results within net insurance results as a separate line item in the statement of income, with details provided in the notes. The Company believes this is appropriate as management has no ability to change the pricing or control the expenditure and as such do not think it is appropriate to include the results within revenue and expenses that are controllable by the Company. The current presentation of the arrangement is similar where an entity is acting as an agent, where the principle is as there is no control net presentation is more appropriate and disclosure is provided in the notes. Management believes the presentation and disclosure reflects the substance of the arrangement.

**5. Goodwill**

The goodwill arising from the merger is attributable to the expected synergies from combining the operations of the Gulf Union and Al Ahlia and cannot be assigned to any other determinable and separate provisional intangible asset. Goodwill is allocated to the Company as a single CGU, being the combined operations of the Company and Al Ahlia. Management's judgment to allocate goodwill to the Company considered the broader reason for which acquisition was made, i.e. synergies from combining the operations. The Company tests the goodwill for impairment at each reporting date, if there are impairment indicators. As required, the Company performs impairment testing at least annually. For the impairment testing, management determines the recoverable amount of the CGU based on value-in-use calculations. These calculations require the use of estimates in relation to the future cash flows, based on the most recent three years' approved business plan, and use of an appropriate discount rate applicable to the circumstances of the Company. Cash flows beyond the three-years period are extrapolated using the estimated growth rate stated below. This growth rate is consistent with the forecasts included in industry reports specific to the industry in which the CGU operates. Key assumptions underlying the projections are:

<b>Key assumptions</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Insurance service expenses as a percentage of insurance revenue (%)	<b>91</b>	91
Discount rate (%)	<b>13</b>	15
Terminal value growth rate (%)	<b>2</b>	2

Although management believes that the assumptions used to evaluate potential impairment are reasonable, such assumptions are inherently subjective. Based on the assumptions made, the expected discounted future cash flows exceed the carrying amount of goodwill and accordingly no impairment has been recognised.

**Sensitivity to the changes in assumptions**

Management has identified that a reasonably possible change in the below given key assumptions could cause the carrying amount equal to the recoverable amount.

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**5. Goodwill** (continued)

*Insurance service expenses as a percentage of insurance revenue*

The insurance services expenses as a percentage of insurance revenue in the forecast period have been estimated to be 91.4% of the insurance revenue. If all other assumptions kept the same, an increase of insurance services expenses from 91.4% to 92.0% of insurance revenue would give a value in use equal to the current carrying amount.

*Discount rate*

The discount rate used to calculate the present value of future cashflows in the forecast period has been estimated to be 13%. If all other assumptions kept the same, an increase of this ratio from 13% to approximately 15.5% would give a value in use equal to the current carrying amount.

With regard to the assessment of the value in use, management believes that no reasonably possible change in any of the other key assumptions above would cause the carrying value of CGU including goodwill to exceed its recoverable amount.

**6. Cash and cash equivalents**

Cash and cash equivalents included in the statement of cash flows comprise the following:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Cash at bank - current accounts	<b>52,832,061</b>	31,974,161
Time deposit	-	22,000,000
	<b>52,832,061</b>	53,974,161
Net credit impairment losses	<b>(1,097)</b>	(642)
	<b>52,830,964</b>	53,973,519

Cash at banks is placed with counterparties with sound credit ratings. As at 31 December 2025, no time deposits were placed (31 December 2024: the Company placed time deposit with the local bank with original maturity of less than three months from the date of placement and earned commission income at the rate of 4.5% per annum).

The gross carrying amount of cash and cash equivalents represents the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1. Refer to Note 30.3 for details.

Movement in allowance for net credit impairment losses on cash and cash equivalents is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Opening balance	<b>642</b>	619
Net credit impairment losses recognised in the statement of income during the year	<b>455</b>	23
Closing balance	<b>1,097</b>	642

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**7. Term deposits**

As at 31 December 2024, long-term deposit amounted to Saudi Riyals 58 million with maturity of more than one year from the date of placement and were placed with the financial institution carrying commission income at a rate of 6.5% per annum. Such deposit was matured during the year ended 31 December 2025 and no further placements were made.

The gross carrying amount of long-term deposit represents the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1. Refer to Note 30.3 for details.

Movement in allowance for net credit impairment losses on long-term deposit is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Opening balance	-	5,120
Net credit impairment losses reversed in the statement of income during the year	-	(5,120)
Closing balance	-	-

Short-term deposits, amounting to Saudi Riyals 304 million (2024: Saudi Riyals 342 million), are placed with local banks and financial institutions with an original maturity of more than three months but less than or equal to twelve months as at 31 December 2025. These deposits earned commission income between a rate of 5.6% and 6.1% per annum during the year ended 31 December 2025 (2024: 5.8% and 6.5% per annum).

The gross carrying amount of short-term deposits represents the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1. Refer to Note 30.3 for details.

Movement in allowance for net credit impairment losses on short-term deposits is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Opening balance	<b>21,652</b>	7,569
Net credit impairment losses recognised in statement of income during the year	<b>3,573</b>	14,083
Closing balance	<b>25,225</b>	21,652

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**8. Investments**

(a) *Investments are classified as follows:*

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Financial assets at FVTPL</b>		
Mutual Funds	<b>65,641,669</b>	82,924,693
Ordinary shares	<b>54,071,712</b>	33,338,029
Sukuks	<b>18,941,025</b>	22,134,250
	<b>138,654,406</b>	138,396,972
<b>Financial assets at FVOCI</b>		
Ordinary shares	<b>145,443,572</b>	122,247,674
<b>Financial assets at amortised cost</b>		
Sukuks	<b>210,900,729</b>	176,000,063
Net credit impairment losses	<b>(4,078)</b>	(4,062)
	<b>210,896,651</b>	175,996,001
	<b>494,994,629</b>	436,640,647

Investments in Sukuks are classified as investments measured at amortised cost, except for certain Sukuks amounting to Saudi Riyals 18.9 million (31 December 2024: Saudi Riyals 22.1 million) which failed SPPI assessment on account of interest payment not constituting time value of money and so, were classified as FVTPL. The Company's business model for Sukuk classified as amortised cost is to hold to collect the contractual cash flows.

Investment in mutual funds are classified as investments measured at FVTPL since these are equity instruments. As a result, these funds were classified as FVTPL from the date of initial application.

Investment in Najm ("Najm") is not held for trading as the Company has irrevocably elected it at initial recognition to recognise in the FVOCI as it is considered strategic investment, and the Company considers this classification to be more relevant.

The Company has classified its investments in ordinary shares at FVTPL, except for Najm which is held at FVOCI. The Company holds an investment in the equity of Najm in accordance with Company's accounting policy under Note 3, investments in equity instruments should be measured at fair value. The fair value of Najm investment as at 31 December 2025 amounts to Saudi Riyals 145.4 million (31 December 2024: Saudi Riyals 122.2 million).

The gross carrying amount of financial assets measured at amortised cost represents the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1. Refer to Note 30.3 for details.

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**8. Investments** (continued)

(b) *Movement in investments carried at fair value is as follows:*

	<b>31 December 2025</b>	<b>31 December 2024</b>
Balance at beginning of the year	<b>260,644,646</b>	222,113,472
Additions during the year	<b>23,133,455</b>	5,039,811
Withdrawal during the year	<b>(27,009,694)</b>	(734,639)
Changes in fair value of investments	<b>27,329,571</b>	34,226,002
Balance at end of the year	<b>284,097,978</b>	260,644,646

(c) *Movement in investments carried at amortised cost is as follows:*

	<b>31 December 2025</b>	<b>31 December 2024</b>
Balance at beginning of the year	<b>176,000,063</b>	156,102,104
Addition during the year	<b>40,000,000</b>	22,000,000
Matured during the year	<b>(5,000,000)</b>	(2,000,000)
Interest collected accreted during the year	<b>(99,334)</b>	(102,041)
	<b>210,900,729</b>	176,000,063
Net credit impairment losses	<b>(4,078)</b>	(4,062)
Balance at end of the year	<b>210,896,651</b>	175,996,001

(d) *Movement in allowance for expected credit losses on financial assets carried at amortised cost is as follows:*

	<b>31 December 2025</b>	<b>31 December 2024</b>
Opening balance	<b>4,062</b>	2,496
Net credit impairment losses recognised in statement of income during the year	<b>16</b>	1,566
Closing balance	<b>4,078</b>	4,062

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**9. Prepaid expenses and other assets**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Receivable - insurance arrangements (Note 9.1)	-	2,903,453
Prepaid expenses	<b>12,506,390</b>	14,391,014
Security deposits	<b>2,193,075</b>	2,193,075
Accrued income	<b>10,676,257</b>	9,931,542
Employees' receivable	<b>3,186,877</b>	2,910,284
Value added tax	<b>15,855,962</b>	8,739,243
Other receivables	<b>3,023,617</b>	5,966,301
	<b>47,442,178</b>	47,034,912

**9.1** This includes receivables related to Hajj and Umrah co-insurance agreement for general accident and medical insurance which is effective from 1 January 2020. The agreement relates to insurance of pilgrims who enter the Kingdom of Saudi Arabia. Also see Note 24.

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**10. Insurance and reinsurance contracts**

**10.1 Composition of the statement of financial position**

An analysis of the amounts presented on the statement of financial position for insurance contracts and reinsurance contracts has been included in the table below:

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>31 December 2025</b>								
<b>Insurance Contracts</b>								
Insurance contract assets	-	-	-	-	-	-	-	-
Insurance contract liabilities	214,692,571	165,578,349	50,828,194	24,353,366	23,417,074	45,906,956	314,079	525,090,589
								<u>525,090,589</u>
<b>Reinsurance contracts</b>								
Reinsurance contract assets	650,906	2,474,572	8,027,549	15,786,927	12,442,160	37,858,879	167,585	77,408,578
Reinsurance contract liabilities	-	-	-	-	-	-	-	-
								<u>77,408,578</u>
<b>31 December 2024</b>								
<b>Insurance Contracts</b>								
Insurance contract assets	-	-	-	-	-	-	-	-
Insurance contract liabilities	217,449,278	172,370,604	56,700,818	22,669,426	10,471,262	19,805,209	353,817	499,820,414
								<u>499,820,414</u>
<b>Reinsurance contracts</b>								
Reinsurance contract assets	2,872,407	4,455,167	13,552,652	15,830,920	6,099,430	18,657,303	223,263	61,691,142
Reinsurance contract liabilities	-	-	-	-	-	-	-	-
								<u>61,691,142</u>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims**

**10.2.1 Insurance contracts**

	As at 31 December 2025				As at 31 December 2024					
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts										
Insurance contract liabilities - opening	196,191,890	7,394,445	288,766,117	7,467,962	499,820,414	141,818,295	8,407,450	280,124,567	7,005,678	437,355,990
Insurance contract assets - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>196,191,890</b>	<b>7,394,445</b>	<b>288,766,117</b>	<b>7,467,962</b>	<b>499,820,414</b>	<b>141,818,295</b>	<b>8,407,450</b>	<b>280,124,567</b>	<b>7,005,678</b>	<b>437,355,990</b>
<b>Insurance revenue</b>	<b>(1,038,197,346)</b>	-	-	-	<b>(1,038,197,346)</b>	(804,752,396)	-	-	-	(804,752,396)
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	849,031,649	5,634,690	854,666,339	-	-	589,824,792	5,201,726	595,026,518
Losses (reversal) of loss on onerous contracts	-	9,847,712	-	-	9,847,712	-	(240,574)	-	-	(240,574)
Changes that relate to past service - adjustments to the LIC	-	-	1,206,928	(3,289,837)	(2,082,909)	-	-	(25,124,468)	(4,739,442)	(29,863,910)
Insurance acquisition cash flows amortisation	200,834,931	-	-	-	200,834,931	152,475,322	-	-	-	152,475,322
<b>Insurance service expenses</b>	<b>200,834,931</b>	<b>9,847,712</b>	<b>850,238,577</b>	<b>2,344,853</b>	<b>1,063,266,073</b>	<b>152,475,322</b>	<b>(240,574)</b>	<b>564,700,324</b>	<b>462,284</b>	<b>717,397,356</b>
Finance expense (income) from insurance contracts	-	3,170,320	(1,953,082)	-	1,217,238	-	(772,431)	7,940	-	(764,491)
<b>Total changes in the statement of income</b>	<b>(837,362,415)</b>	<b>13,018,032</b>	<b>848,285,495</b>	<b>2,344,853</b>	<b>26,285,965</b>	<b>(652,277,074)</b>	<b>(1,013,005)</b>	<b>564,708,264</b>	<b>462,284</b>	<b>(88,119,531)</b>
<b>Cash flows</b>										
Premiums received	941,400,606	-	-	-	941,400,606	860,540,619	-	-	-	860,540,619
Incurred claims and other incurred insurance service expenses paid	-	-	(752,201,776)	-	(752,201,776)	-	-	(556,066,714)	-	(556,066,714)
Insurance acquisition cash flows paid	(190,214,620)	-	-	-	(190,214,620)	(153,889,950)	-	-	-	(153,889,950)
<b>Total cash inflows (outflows)</b>	<b>751,185,986</b>	<b>-</b>	<b>(752,201,776)</b>	<b>-</b>	<b>(1,015,790)</b>	<b>706,650,669</b>	<b>-</b>	<b>(556,066,714)</b>	<b>-</b>	<b>150,583,955</b>
Insurance contracts	-	-	-	-	-	-	-	-	-	-
Insurance contract liabilities – closing	110,015,461	20,412,477	384,849,836	9,812,815	525,090,589	196,191,890	7,394,445	288,766,117	7,467,962	499,820,414
Insurance contract assets – closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>110,015,461</b>	<b>20,412,477</b>	<b>384,849,836</b>	<b>9,812,815</b>	<b>525,090,589</b>	<b>196,191,890</b>	<b>7,394,445</b>	<b>288,766,117</b>	<b>7,467,962</b>	<b>499,820,414</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.1 Insurance contracts** (continued)

**10.2.1.1 Medical**

	As at 31 December 2025				As at 31 December 2024					
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts										
Insurance contract liabilities - opening	92,029,130	5,198,834	118,086,300	2,135,014	217,449,278	49,852,943	2,209,595	101,402,431	1,757,652	155,222,621
Insurance contract assets - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>92,029,130</b>	<b>5,198,834</b>	<b>118,086,300</b>	<b>2,135,014</b>	<b>217,449,278</b>	<b>49,852,943</b>	<b>2,209,595</b>	<b>101,402,431</b>	<b>1,757,652</b>	<b>155,222,621</b>
<b>Insurance revenue</b>	<b>(484,678,215)</b>	-	-	-	<b>(484,678,215)</b>	(330,054,941)	-	-	-	(330,054,941)
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	410,870,584	2,508,923	413,379,507	-	-	262,847,040	1,938,199	264,785,239
(Reversal of losses) losses recognised on onerous contracts	-	(7,843,376)	-	-	(7,843,376)	-	2,446,718	-	-	2,446,718
Changes that relate to past service - adjustments to the LIC	-	-	(1,758,646)	(2,031,794)	(3,790,440)	-	-	2,665,553	(1,560,837)	1,104,716
Insurance acquisition cash flows amortisation	77,694,236	-	-	-	77,694,236	50,656,724	-	-	-	50,656,724
<b>Insurance service expenses</b>	<b>77,694,236</b>	<b>(7,843,376)</b>	<b>409,111,938</b>	<b>477,129</b>	<b>479,439,927</b>	<b>50,656,724</b>	<b>2,446,718</b>	<b>265,512,593</b>	<b>377,362</b>	<b>318,993,397</b>
Finance income from insurance contracts	-	2,644,542	330,823	-	2,975,365	-	542,521	380,655	-	923,176
<b>Total changes in the statement of income</b>	<b>(406,983,979)</b>	<b>(5,198,834)</b>	<b>409,442,761</b>	<b>477,129</b>	<b>(2,262,923)</b>	<b>(279,398,217)</b>	<b>2,989,239</b>	<b>265,893,248</b>	<b>377,362</b>	<b>(10,138,368)</b>
<b>Cash flows</b>										
Premiums received	440,016,151	-	-	-	440,016,151	373,725,332	-	-	-	373,725,332
Incurred claims and other incurred insurance service expenses paid	-	-	(369,378,335)	-	(369,378,335)	-	-	(249,209,379)	-	(249,209,379)
Insurance acquisition cash flows paid	(71,131,600)	-	-	-	(71,131,600)	(52,150,928)	-	-	-	(52,150,928)
<b>Total cash inflows (outflows)</b>	<b>368,884,551</b>	<b>-</b>	<b>(369,378,335)</b>	<b>-</b>	<b>(493,784)</b>	<b>321,574,404</b>	<b>-</b>	<b>(249,209,379)</b>	<b>-</b>	<b>72,365,025</b>
Insurance contracts										
Insurance contract liabilities - closing	53,929,702	-	158,150,726	2,612,143	214,692,571	92,029,130	5,198,834	118,086,300	2,135,014	217,449,278
Insurance contract assets - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>53,929,702</b>	<b>-</b>	<b>158,150,726</b>	<b>2,612,143</b>	<b>214,692,571</b>	<b>92,029,130</b>	<b>5,198,834</b>	<b>118,086,300</b>	<b>2,135,014</b>	<b>217,449,278</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.1 Insurance contracts** (continued)

**10.2.1.2 Motor**

	As at 31 December 2025					As at 31 December 2024				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts										
Insurance contract liabilities - opening	71,410,475	2,195,613	96,388,397	2,376,119	172,370,604	61,130,718	6,197,857	119,016,765	3,076,031	189,421,371
Insurance contract assets - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance – net</b>	<b>71,410,475</b>	<b>2,195,613</b>	<b>96,388,397</b>	<b>2,376,119</b>	<b>172,370,604</b>	<b>61,130,718</b>	<b>6,197,857</b>	<b>119,016,765</b>	<b>3,076,031</b>	<b>189,421,371</b>
<b>Insurance revenue</b>	<b>(383,590,401)</b>	-	-	-	<b>(383,590,401)</b>	(332,422,074)	-	-	-	(332,422,074)
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	370,300,648	2,028,181	372,328,829	-	-	263,506,348	1,792,777	265,299,125
Losses (reversal of losses) on onerous contracts	-	17,691,088	-	-	17,691,088	-	(2,687,292)	-	-	(2,687,292)
Changes that relate to past service - adjustments to the LIC	-	-	(2,219,653)	(1,888,466)	(4,108,119)	-	-	(28,881,562)	(2,492,689)	(31,374,251)
Insurance acquisition cash flows amortisation	90,455,124	-	-	-	90,455,124	75,629,223	-	-	-	75,629,223
<b>Insurance service expenses</b>	<b>90,455,124</b>	<b>17,691,088</b>	<b>368,080,995</b>	<b>139,715</b>	<b>476,366,922</b>	<b>75,629,223</b>	<b>(2,687,292)</b>	<b>234,624,786</b>	<b>(699,912)</b>	<b>306,866,805</b>
Finance expense (income) from insurance contracts	-	525,778	222,145	-	747,923	-	(1,314,952)	326,724	-	(988,228)
<b>Total changes in the statement of income</b>	<b>(293,135,277)</b>	<b>18,216,866</b>	<b>368,303,140</b>	<b>139,715</b>	<b>93,524,444</b>	<b>(256,792,851)</b>	<b>(4,002,244)</b>	<b>234,951,510</b>	<b>(699,912)</b>	<b>(26,543,497)</b>
<b>Cash flows</b>										
Premiums received	334,524,409	-	-	-	334,524,409	343,006,161	-	-	-	343,006,161
Incurred claims and other incurred insurance service expenses paid	-	-	(344,550,549)	-	(344,550,549)	-	-	(257,579,878)	-	(257,579,878)
Insurance acquisition cash flows paid	(90,290,559)	-	-	-	(90,290,559)	(75,933,553)	-	-	-	(75,933,553)
<b>Total cash inflows (outflows)</b>	<b>244,233,850</b>	<b>-</b>	<b>(344,550,549)</b>	<b>-</b>	<b>(100,316,699)</b>	<b>267,072,608</b>	<b>-</b>	<b>(257,579,878)</b>	<b>-</b>	<b>9,492,730</b>
Insurance contracts										
Insurance contract liabilities - closing	22,509,048	20,412,479	120,140,988	2,515,834	165,578,349	71,410,475	2,195,613	96,388,397	2,376,119	172,370,604
Insurance contract assets - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>22,509,048</b>	<b>20,412,479</b>	<b>120,140,988</b>	<b>2,515,834</b>	<b>165,578,349</b>	<b>71,410,475</b>	<b>2,195,613</b>	<b>96,388,397</b>	<b>2,376,119</b>	<b>172,370,604</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.1 Insurance contracts** (continued)

**10.2.1.3 General Accident & Liability**

	As at 31 December 2025				As at 31 December 2024					
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts										
Insurance contract liabilities - opening	21,608,265	-	33,716,386	1,376,167	56,700,818	21,709,370	-	30,872,143	1,286,442	53,867,955
Insurance contract assets - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>21,608,265</b>	<b>-</b>	<b>33,716,386</b>	<b>1,376,167</b>	<b>56,700,818</b>	<b>21,709,370</b>	<b>-</b>	<b>30,872,143</b>	<b>1,286,442</b>	<b>53,867,955</b>
<b>Insurance revenue</b>	<b>(58,746,221)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(58,746,221)</b>	<b>(55,416,410)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(55,416,410)</b>
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	17,348,375	448,896	17,797,271	-	-	38,594,722	523,109	39,117,831
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	1,901,621	(406,192)	1,495,429	-	-	(11,546)	(433,384)	(444,930)
Insurance acquisition cash flows amortisation	13,054,713	-	-	-	13,054,713	11,761,631	-	-	-	11,761,631
<b>Insurance service expenses</b>	<b>13,054,713</b>	<b>-</b>	<b>19,249,996</b>	<b>42,704</b>	<b>32,347,413</b>	<b>11,761,631</b>	<b>-</b>	<b>38,583,176</b>	<b>89,725</b>	<b>50,434,532</b>
Finance expense from insurance contracts	-	-	(443,608)	-	(443,608)	-	-	(127,198)	-	(127,198)
<b>Total changes in the statement of income</b>	<b>(45,691,508)</b>	<b>-</b>	<b>18,806,388</b>	<b>42,704</b>	<b>(26,842,416)</b>	<b>(43,654,779)</b>	<b>-</b>	<b>38,455,978</b>	<b>89,725</b>	<b>(5,109,076)</b>
<b>Cash flows</b>										
Premiums received	54,291,894	-	-	-	54,291,894	54,515,740	-	-	-	54,515,740
Incurred claims and other incurred insurance service expenses paid	-	-	(21,528,111)	-	(21,528,111)	-	-	(35,611,735)	-	(35,611,735)
Insurance acquisition cash flows paid	(11,793,991)	-	-	-	(11,793,991)	(10,962,066)	-	-	-	(10,962,066)
<b>Total cash inflows</b>	<b>42,497,903</b>	<b>-</b>	<b>(21,528,111)</b>	<b>-</b>	<b>20,969,792</b>	<b>43,553,674</b>	<b>-</b>	<b>(35,611,735)</b>	<b>-</b>	<b>7,941,939</b>
Insurance contracts										
Insurance contract liabilities - closing	18,414,660	-	30,994,663	1,418,871	50,828,194	21,608,265	-	33,716,386	1,376,167	56,700,818
Insurance contract assets - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>18,414,660</b>	<b>-</b>	<b>30,994,663</b>	<b>1,418,871</b>	<b>50,828,194</b>	<b>21,608,265</b>	<b>-</b>	<b>33,716,386</b>	<b>1,376,167</b>	<b>56,700,818</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.1 Insurance contracts** (continued)

**10.2.1.4 Engineering**

	As at 31 December 2025				As at 31 December 2024					
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts										
Insurance contract liabilities - opening	9,120,960	-	13,014,806	533,660	22,669,426	6,778,011	-	8,344,234	273,059	15,395,304
Insurance contract assets - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>9,120,960</b>	<b>-</b>	<b>13,014,806</b>	<b>533,660</b>	<b>22,669,426</b>	<b>6,778,011</b>	<b>-</b>	<b>8,344,234</b>	<b>273,059</b>	<b>15,395,304</b>
<b>Insurance revenue</b>	<b>(24,119,252)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,119,252)</b>	<b>(21,178,804)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(21,178,804)</b>
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	6,084,540	128,636	6,213,176	-	-	6,410,635	275,037	6,685,672
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	(1,297,797)	(139,867)	(1,437,664)	-	-	2,003,714	(14,436)	1,989,278
Insurance acquisition cash flows amortisation	5,907,296	-	-	-	5,907,296	4,496,513	-	-	-	4,496,513
<b>Insurance service expenses</b>	<b>5,907,296</b>	<b>-</b>	<b>4,786,743</b>	<b>(11,231)</b>	<b>10,682,808</b>	<b>4,496,513</b>	<b>-</b>	<b>8,414,349</b>	<b>260,601</b>	<b>13,171,463</b>
Finance expense income from insurance contracts	-	-	(103,870)	-	(103,870)	-	-	(567,373)	-	(567,373)
<b>Total changes in the statement of income</b>	<b>(18,211,956)</b>	<b>-</b>	<b>4,682,873</b>	<b>(11,231)</b>	<b>(13,540,314)</b>	<b>(16,682,291)</b>	<b>-</b>	<b>7,846,976</b>	<b>260,601</b>	<b>(8,574,714)</b>
<b>Cash flows</b>										
Premiums received	27,093,122	-	-	-	27,093,122	24,065,565	-	-	-	24,065,565
Incurred claims and other incurred insurance service expenses paid	-	-	(6,326,886)	-	(6,326,886)	-	-	(3,176,404)	-	(3,176,404)
Insurance acquisition cash flows paid	(5,541,982)	-	-	-	(5,541,982)	(5,040,325)	-	-	-	(5,040,325)
<b>Total cash inflows</b>	<b>21,551,140</b>	<b>-</b>	<b>(6,326,886)</b>	<b>-</b>	<b>15,224,254</b>	<b>19,025,240</b>	<b>-</b>	<b>(3,176,404)</b>	<b>-</b>	<b>15,848,836</b>
Insurance contracts										
Insurance contract liabilities - closing	12,460,144	-	11,370,793	522,429	24,353,366	9,120,960	-	13,014,806	533,660	22,669,426
Insurance contract assets - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>12,460,144</b>	<b>-</b>	<b>11,370,793</b>	<b>522,429</b>	<b>24,353,366</b>	<b>9,120,960</b>	<b>-</b>	<b>13,014,806</b>	<b>533,660</b>	<b>22,669,426</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.1 Insurance contracts** (continued)

**10.2.1.5 Property**

	As at 31 December 2025				As at 31 December 2024					
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts										
Insurance contract liabilities - opening	1,638,190	-	8,494,036	339,036	10,471,262	2,266,186	-	7,983,002	250,779	10,499,967
Insurance contract assets - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance – net</b>	<b>1,638,190</b>	<b>-</b>	<b>8,494,036</b>	<b>339,036</b>	<b>10,471,262</b>	<b>2,266,186</b>	<b>-</b>	<b>7,983,002</b>	<b>250,779</b>	<b>10,499,967</b>
<b>Insurance revenue</b>	<b>(30,469,687)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30,469,687)</b>	<b>(25,831,761)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(25,831,761)</b>
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	14,543,767	138,777	14,682,544	-	-	4,947,865	207,493	5,155,358
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	(1,749,395)	251,486	(1,497,909)	-	-	(3,165,562)	(119,236)	(3,284,798)
Insurance acquisition cash flows amortisation	6,691,036	-	-	-	6,691,036	4,313,202	-	-	-	4,313,202
<b>Insurance service expenses</b>	<b>6,691,036</b>	<b>-</b>	<b>12,794,372</b>	<b>390,263</b>	<b>19,875,671</b>	<b>4,313,202</b>	<b>-</b>	<b>1,782,303</b>	<b>88,257</b>	<b>6,183,762</b>
Finance expense from insurance contracts	-	-	(521,258)	-	(521,258)	-	-	(220,775)	-	(220,775)
<b>Total changes in the statement of income</b>	<b>(23,778,651)</b>	<b>-</b>	<b>12,273,114</b>	<b>390,263</b>	<b>(11,115,274)</b>	<b>(21,518,559)</b>	<b>-</b>	<b>1,561,528</b>	<b>88,257</b>	<b>(19,868,774)</b>
<b>Cash flows</b>										
Premiums received	33,058,337	-	-	-	33,058,337	25,150,705	-	-	-	25,150,705
Incurred claims and other incurred insurance service expenses paid	-	-	(2,990,509)	-	(2,990,509)	-	-	(1,050,494)	-	(1,050,494)
Insurance acquisition cash flows paid	(6,006,742)	-	-	-	(6,006,742)	(4,260,142)	-	-	-	(4,260,142)
<b>Total cash inflows</b>	<b>27,051,595</b>	<b>-</b>	<b>(2,990,509)</b>	<b>-</b>	<b>24,061,086</b>	<b>20,890,563</b>	<b>-</b>	<b>(1,050,494)</b>	<b>-</b>	<b>19,840,069</b>
Insurance contracts										
Insurance contract liabilities - closing	4,911,134	-	17,776,641	729,299	23,417,074	1,638,190	-	8,494,036	339,036	10,471,262
Insurance contract assets - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>4,911,134</b>	<b>-</b>	<b>17,776,641</b>	<b>729,299</b>	<b>23,417,074</b>	<b>1,638,190</b>	<b>-</b>	<b>8,494,036</b>	<b>339,036</b>	<b>10,471,262</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.1 Insurance contracts** (continued)

**10.2.1.6 Marine**

	As at 31 December 2025				As at 31 December 2024					
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts										
Insurance contract liabilities - opening	257,939	-	18,822,990	724,280	19,805,209	(500,104)	-	12,203,284	378,650	12,081,830
Insurance contract assets - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>257,939</b>	<b>-</b>	<b>18,822,990</b>	<b>724,280</b>	<b>19,805,209</b>	<b>(500,104)</b>	<b>-</b>	<b>12,203,284</b>	<b>378,650</b>	<b>12,081,830</b>
<b>Insurance revenue</b>	<b>(56,099,483)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(56,099,483)</b>	<b>(38,976,018)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(38,976,018)</b>
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	29,763,144	379,475	30,142,619	-	-	13,318,183	458,852	13,777,035
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	6,291,823	923,287	7,215,110	-	-	2,413,030	(113,222)	2,299,808
Insurance acquisition cash flows amortisation	6,809,686	-	-	-	6,809,686	5,424,145	-	-	-	5,424,145
<b>Insurance service expenses</b>	<b>6,809,686</b>	<b>-</b>	<b>36,054,967</b>	<b>1,302,762</b>	<b>44,167,415</b>	<b>5,424,145</b>	<b>-</b>	<b>15,731,213</b>	<b>345,630</b>	<b>21,500,988</b>
Finance (expense) income from insurance contracts	-	-	(1,430,218)	-	(1,430,218)	-	-	220,167	-	220,167
<b>Total changes in the statement of income</b>	<b>(49,289,797)</b>	<b>-</b>	<b>34,624,749</b>	<b>1,302,762</b>	<b>(13,362,286)</b>	<b>(33,551,873)</b>	<b>-</b>	<b>15,951,380</b>	<b>345,630</b>	<b>(17,254,863)</b>
<b>Cash flows</b>										
Premiums received	52,007,889	-	-	-	52,007,889	39,684,336	-	-	-	39,684,336
Incurred claims and other incurred insurance service expenses paid	-	-	(7,311,503)	-	(7,311,503)	-	-	(9,331,674)	-	(9,331,674)
Insurance acquisition cash flows paid	(5,232,353)	-	-	-	(5,232,353)	(5,374,420)	-	-	-	(5,374,420)
<b>Total cash inflows</b>	<b>46,775,536</b>	<b>-</b>	<b>(7,311,503)</b>	<b>-</b>	<b>39,464,033</b>	<b>34,309,916</b>	<b>-</b>	<b>(9,331,674)</b>	<b>-</b>	<b>24,978,242</b>
Insurance contracts										
Insurance contract liabilities - closing	(2,256,322)	-	46,136,236	2,027,042	45,906,956	257,939	-	18,822,990	724,280	19,805,209
Insurance contract assets - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>(2,256,322)</b>	<b>-</b>	<b>46,136,236</b>	<b>2,027,042</b>	<b>45,906,956</b>	<b>257,939</b>	<b>-</b>	<b>18,822,990</b>	<b>724,280</b>	<b>19,805,209</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.1 Insurance contracts** (continued)

**10.2.1.7 Protection**

	As at 31 December 2025				Total	As at 31 December 2024				Total
	Liability for remaining coverage		Liability for incurred claims			Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk		Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts										
Insurance contract liabilities - opening	126,934	-	243,193	(16,310)	353,817	581,172	-	302,702	(16,932)	866,942
Insurance contract assets - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>126,934</b>	<b>-</b>	<b>243,193</b>	<b>(16,310)</b>	<b>353,817</b>	<b>581,172</b>	<b>-</b>	<b>302,702</b>	<b>(16,932)</b>	<b>866,942</b>
<b>Insurance revenue</b>	<b>(494,087)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(494,087)</b>	<b>(872,388)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(872,388)</b>
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	120,591	1,802	122,393	-	-	199,999	6,259	206,258
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	38,974	1,710	40,684	-	-	(148,096)	(5,637)	(153,733)
Insurance acquisition cash flows amortisation	222,840	-	-	-	222,840	193,884	-	-	-	193,884
<b>Insurance service expenses</b>	<b>222,840</b>	<b>-</b>	<b>159,565</b>	<b>3,512</b>	<b>385,917</b>	<b>193,884</b>	<b>-</b>	<b>51,903</b>	<b>622</b>	<b>246,409</b>
Finance expense from insurance contracts	-	-	(7,096)	-	(7,096)	-	-	(4,260)	-	(4,260)
<b>Total changes in the statement of income</b>	<b>(271,247)</b>	<b>-</b>	<b>152,469</b>	<b>3,512</b>	<b>(115,266)</b>	<b>(678,504)</b>	<b>-</b>	<b>47,643</b>	<b>622</b>	<b>(630,239)</b>
<b>Cash flows</b>										
Premiums received	408,806	-	-	-	408,806	392,782	-	-	-	392,782
Incurred claims and other incurred insurance service expenses paid	-	-	(115,884)	-	(115,884)	-	-	(107,152)	-	(107,152)
Insurance acquisition cash flows paid	(217,394)	-	-	-	(415,991)	(168,516)	-	-	-	(168,516)
<b>Total cash inflows</b>	<b>191,412</b>	<b>-</b>	<b>(115,884)</b>	<b>-</b>	<b>75,528</b>	<b>224,266</b>	<b>-</b>	<b>(107,152)</b>	<b>-</b>	<b>117,114</b>
Insurance contracts										
Insurance contract liabilities - closing	47,099	-	279,778	(12,798)	314,079	126,934	-	243,193	(16,310)	353,817
Insurance contract assets - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>47,099</b>	<b>-</b>	<b>279,778</b>	<b>(12,798)</b>	<b>314,079</b>	<b>126,934</b>	<b>-</b>	<b>243,193</b>	<b>(16,310)</b>	<b>353,817</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.2 Reinsurance contracts held**

	As at 31 December 2025				As at 31 December 2024					
	Asset for remaining coverage		Asset for incurred claims		Total	Asset for remaining coverage		Asset for incurred claims		Total
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk		Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts										
Reinsurance contract assets - opening	<b>889,126</b>	-	<b>59,124,461</b>	<b>1,677,555</b>	<b>61,691,142</b>	10,223,682	72,496	39,043,213	1,023,334	50,362,725
Reinsurance contract liabilities - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>889,126</b>	-	<b>59,124,461</b>	<b>1,677,555</b>	<b>61,691,142</b>	10,223,682	72,496	39,043,213	1,023,334	50,362,725
<b>Allocation of reinsurance premium</b>	<b>(139,912,647)</b>	-	-	-	<b>(139,912,647)</b>	(104,222,422)	-	-	-	(104,222,422)
<b>Amounts recoverable from reinsurers</b>										
Claims recovered and other directly attributable expenses	-	-	<b>47,609,986</b>	<b>673,634</b>	<b>48,283,620</b>	-	-	46,551,116	880,261	47,431,377
Effect of changes in the risk of reinsurers non-performance	-	-	<b>(3,453,901)</b>	-	<b>(3,453,901)</b>	-	-	(889,166)	-	(889,166)
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	(177,063)	-	-	(177,063)
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	<b>34,964,722</b>	<b>1,221,697</b>	<b>36,186,419</b>	-	-	4,696,406	(226,040)	4,470,366
<b>Amounts recoverable from reinsurers – net</b>	-	-	<b>79,120,807</b>	<b>1,895,331</b>	<b>81,016,138</b>	-	(177,063)	50,358,356	654,221	50,835,514
Changes in reinsurance due to adjustment premiums	-	-	<b>(1,792,908)</b>	-	<b>(1,792,908)</b>	-	-	(3,368,125)	-	(3,368,125)
Finance (expense) income from reinsurance contracts	-	-	<b>(2,070,489)</b>	-	<b>(2,070,489)</b>	-	104,567	(456,723)	-	(352,156)
<b>Total changes in the statement of income</b>	<b>(139,912,647)</b>	-	<b>75,257,410</b>	<b>1,895,331</b>	<b>(62,759,906)</b>	(104,222,422)	(72,496)	46,533,508	654,221	(57,107,189)
<b>Cash flows</b>										
Premiums ceded	<b>122,052,040</b>	-	-	-	<b>122,052,040</b>	94,887,866	-	-	-	94,887,866
Recoveries from reinsurance	-	-	<b>(43,574,698)</b>	-	<b>(43,574,698)</b>	-	-	(26,452,260)	-	(26,452,260)
<b>Total cash inflows</b>	<b>122,052,040</b>	-	<b>(43,574,698)</b>	-	<b>78,477,342</b>	94,887,866	-	(26,452,260)	-	68,435,606
Reinsurance contracts										
Reinsurance contract assets - closing	<b>(16,971,481)</b>	-	<b>90,807,173</b>	<b>3,572,886</b>	<b>77,408,578</b>	889,126	-	59,124,461	1,677,555	61,691,142
Reinsurance contract liabilities - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>(16,971,481)</b>	-	<b>90,807,173</b>	<b>3,572,886</b>	<b>77,408,578</b>	889,126	-	59,124,461	1,677,555	61,691,142

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.2 Reinsurance contracts held** (continued)

**10.2.2.1 Medical**

	As at 31 December 2025				Total	As at 31 December 2024				Total
	Asset for remaining coverage	Asset for incurred claims				Asset for remaining coverage	Asset for incurred claims			
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk		Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts										
Reinsurance contract assets - opening	(5,002,300)	-	7,870,011	4,696	2,872,407	(2,992,147)	72,496	5,696,276	44,238	2,820,863
Reinsurance contract liabilities - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>(5,002,300)</b>	<b>-</b>	<b>7,870,011</b>	<b>4,696</b>	<b>2,872,407</b>	<b>(2,992,147)</b>	<b>72,496</b>	<b>5,696,276</b>	<b>44,238</b>	<b>2,820,863</b>
<b>Allocation of reinsurance premium</b>	<b>(36,454,217)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(36,454,217)</b>	<b>(20,273,204)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(20,273,204)</b>
<b>Amounts recoverable from reinsurers</b>										
Claims recovered and other directly attributable expenses	-	-	4,511,633	-	4,511,633	-	-	13,132,157	-	13,132,157
Effect of changes in the risk of reinsurers non-performance	-	-	(2,672,422)	-	(2,672,422)	-	-	(686,391)	-	(686,391)
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	(177,063)	-	-	(177,063)
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	26,098,387	93,085	26,191,472	-	-	2,278,619	(39,542)	2,239,077
<b>Amounts recoverable from reinsurers – net</b>	<b>-</b>	<b>-</b>	<b>27,937,598</b>	<b>93,085</b>	<b>28,030,683</b>	<b>-</b>	<b>(177,063)</b>	<b>14,724,385</b>	<b>(39,542)</b>	<b>14,507,780</b>
Changes in reinsurance due to adjustment premiums	-	-	(1,792,908)	-	(1,792,908)	-	-	(3,368,125)	-	(3,368,125)
Finance (expense) income from reinsurance contracts	-	-	(49,897)	-	(49,897)	-	104,567	123,607	-	228,174
<b>Total changes in the statement of income</b>	<b>(36,454,217)</b>	<b>-</b>	<b>26,094,793</b>	<b>93,085</b>	<b>(10,266,339)</b>	<b>(20,273,204)</b>	<b>(72,496)</b>	<b>11,479,867</b>	<b>(39,542)</b>	<b>(8,905,375)</b>
<b>Cash flows</b>										
Premiums ceded	29,265,872	-	-	-	29,265,872	18,263,051	-	-	-	18,263,051
Recoveries from reinsurance	-	-	(21,221,034)	-	(21,221,034)	-	-	(9,306,132)	-	(9,306,132)
<b>Total cash inflows</b>	<b>29,265,872</b>	<b>-</b>	<b>(21,221,034)</b>	<b>-</b>	<b>8,044,838</b>	<b>18,263,051</b>	<b>-</b>	<b>(9,306,132)</b>	<b>-</b>	<b>8,956,919</b>
Reinsurance contracts										
Reinsurance contract assets - closing	(12,190,645)	-	12,743,770	97,781	650,906	(5,002,300)	-	7,870,011	4,696	2,872,407
Reinsurance contract liabilities - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>(12,190,645)</b>	<b>-</b>	<b>12,743,770</b>	<b>97,781</b>	<b>650,906</b>	<b>(5,002,300)</b>	<b>-</b>	<b>7,870,011</b>	<b>4,696</b>	<b>2,872,407</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.2 Reinsurance contracts held** (continued)

**10.2.2.2 Motor**

	As at 31 December 2025				Total	As at 31 December 2024				Total
	Asset for remaining coverage	Asset for incurred claims				Asset for remaining coverage	Asset for incurred claims			
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk		Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts										
Reinsurance contract assets - opening	(2,374,376)	-	6,691,992	137,551	4,455,167	58,126	-	12,881,741	166,931	13,106,798
Reinsurance contract liabilities - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>(2,374,376)</b>	<b>-</b>	<b>6,691,992</b>	<b>137,551</b>	<b>4,455,167</b>	<b>58,126</b>	<b>-</b>	<b>12,881,741</b>	<b>166,931</b>	<b>13,106,798</b>
<b>Allocation of reinsurance premium</b>	<b>(11,073,084)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,073,084)</b>	<b>(10,641,072)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,641,072)</b>
<b>Amounts recoverable from reinsurers</b>										
Claims recovered and other directly attributable expenses	-	-	-	-	-	-	-	2,923,832	-	2,923,832
Effect of changes in the risk of reinsurers non-performance	-	-	(294,795)	-	(294,795)	-	-	531,942	-	531,942
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	3,583,980	21,855	3,605,835	-	-	(3,077,460)	(29,380)	(3,106,840)
<b>Amounts recoverable from reinsurers - net</b>	<b>-</b>	<b>-</b>	<b>3,289,185</b>	<b>21,855</b>	<b>3,311,040</b>	<b>-</b>	<b>-</b>	<b>378,314</b>	<b>(29,380)</b>	<b>348,934</b>
Finance (expense) income from reinsurance contracts	-	-	(13,033)	-	(13,033)	-	-	57,886	-	57,886
<b>Total changes in the statement of income</b>	<b>(11,073,084)</b>	<b>-</b>	<b>3,276,152</b>	<b>21,855</b>	<b>(7,775,077)</b>	<b>(10,641,072)</b>	<b>-</b>	<b>436,200</b>	<b>(29,380)</b>	<b>(10,234,252)</b>
<b>Cash flows</b>										
Premiums ceded	9,744,512	-	-	-	9,744,512	8,208,570	-	-	-	8,208,570
Recoveries from reinsurance	-	-	(3,950,030)	-	(3,950,030)	-	-	(6,625,949)	-	(6,625,949)
<b>Total cash inflows</b>	<b>9,744,512</b>	<b>-</b>	<b>(3,950,030)</b>	<b>-</b>	<b>5,794,482</b>	<b>8,208,570</b>	<b>-</b>	<b>(6,625,949)</b>	<b>-</b>	<b>1,582,621</b>
Reinsurance contracts										
Reinsurance contract assets - closing	(3,702,948)	-	6,018,114	159,406	2,474,572	(2,374,376)	-	6,691,992	137,551	4,455,167
Reinsurance contract liabilities - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>(3,702,948)</b>	<b>-</b>	<b>6,018,114</b>	<b>159,406</b>	<b>2,474,572</b>	<b>(2,374,376)</b>	<b>-</b>	<b>6,691,992</b>	<b>137,551</b>	<b>4,455,167</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.2 Reinsurance contracts held** (continued)

**10.2.2.3 General Accident & Liability**

	As at 31 December 2025				Total	As at 31 December 2024				Total
	Asset for remaining coverage		Asset for incurred claims			Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk		Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts										
Reinsurance contract assets - opening	2,022,754	-	11,338,910	190,988	13,552,652	4,609,147	-	2,516,688	105,620	7,231,455
Reinsurance contract liabilities - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance – net</b>	<b>2,022,754</b>	<b>-</b>	<b>11,338,910</b>	<b>190,988</b>	<b>13,552,652</b>	<b>4,609,147</b>	<b>-</b>	<b>2,516,688</b>	<b>105,620</b>	<b>7,231,455</b>
<b>Allocation of reinsurance premium</b>	<b>(18,188,756)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,188,756)</b>	<b>(14,561,787)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,561,787)</b>
<b>Amounts recoverable from reinsurers</b>										
Claims recovered and other directly attributable expenses	-	-	3,154,172	52,563	3,206,735	-	-	11,595,316	82,255	11,677,571
Effect of changes in the risk of reinsurers non-performance	-	-	242,580	-	242,580	-	-	(683,140)	-	(683,140)
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	2,901,898	81,919	2,983,817	-	-	2,141,812	3,113	2,144,925
<b>Amounts recoverable from reinsurers - net</b>	<b>-</b>	<b>-</b>	<b>6,298,650</b>	<b>134,482</b>	<b>6,433,132</b>	<b>-</b>	<b>-</b>	<b>13,053,988</b>	<b>85,368</b>	<b>13,139,356</b>
Finance expense from reinsurance contracts	-	-	(273,626)	-	(273,626)	-	-	(126,264)	-	(126,264)
<b>Total changes in the statement of income</b>	<b>(18,188,756)</b>	<b>-</b>	<b>6,025,024</b>	<b>134,482</b>	<b>(12,029,250)</b>	<b>(14,561,787)</b>	<b>-</b>	<b>12,927,724</b>	<b>85,368</b>	<b>(1,548,695)</b>
<b>Cash flows</b>										
Premiums ceded	15,822,305	-	-	-	15,822,305	11,975,394	-	-	-	11,975,394
Recoveries from reinsurance	-	-	(9,318,158)	-	(9,318,158)	-	-	(4,105,502)	-	(4,105,502)
<b>Total cash inflows</b>	<b>15,822,305</b>	<b>-</b>	<b>(9,318,158)</b>	<b>-</b>	<b>6,504,147</b>	<b>11,975,394</b>	<b>-</b>	<b>(4,105,502)</b>	<b>-</b>	<b>7,869,892</b>
Reinsurance contracts										
Reinsurance contract assets - closing	(343,697)	-	8,045,776	325,470	8,027,549	2,022,754	-	11,338,910	190,988	13,552,652
Reinsurance contract liabilities - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>(343,697)</b>	<b>-</b>	<b>8,045,776</b>	<b>325,470</b>	<b>8,027,549</b>	<b>2,022,754</b>	<b>-</b>	<b>11,338,910</b>	<b>190,988</b>	<b>13,552,652</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.2 Reinsurance contracts held** (continued)

**10.2.2.4 Engineering**

	As at 31 December 2025				Total	As at 31 December 2024				Total
	Asset for remaining coverage	Asset for incurred claims				Asset for remaining coverage	Asset for incurred claims			
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk		Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts										
Reinsurance contract assets - opening	5,330,767	-	10,058,814	441,339	15,830,920	5,763,413	-	4,561,886	208,016	10,533,315
Reinsurance contract liabilities - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>5,330,767</b>	<b>-</b>	<b>10,058,814</b>	<b>441,339</b>	<b>15,830,920</b>	<b>5,763,413</b>	<b>-</b>	<b>4,561,886</b>	<b>208,016</b>	<b>10,533,315</b>
<b>Allocation of reinsurance premium</b>	<b>(14,853,485)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,853,485)</b>	<b>(11,637,411)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,637,411)</b>
<b>Amounts recoverable from reinsurers</b>										
Claims recovered and other directly attributable expenses	-	-	3,816,107	111,021	3,927,128	-	-	4,564,644	216,530	4,781,174
Effect of changes in the risk of reinsurers non-performance	-	-	(198,890)	-	(198,890)	-	-	(100,171)	-	(100,171)
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(951,585)	(76,559)	(1,028,144)	-	-	2,576,280	16,793	2,593,073
<b>Amounts recoverable from reinsurers – net</b>	<b>-</b>	<b>-</b>	<b>2,665,632</b>	<b>34,462</b>	<b>2,700,094</b>	<b>-</b>	<b>-</b>	<b>7,040,753</b>	<b>233,323</b>	<b>7,274,076</b>
Finance expense from reinsurance contracts	-	-	(119,470)	-	(119,470)	-	-	(471,111)	-	(471,111)
<b>Total changes in the statement of income</b>	<b>(14,853,485)</b>	<b>-</b>	<b>2,546,162</b>	<b>34,462</b>	<b>(12,272,861)</b>	<b>(11,637,411)</b>	<b>-</b>	<b>6,569,642</b>	<b>233,323</b>	<b>(4,834,446)</b>
<b>Cash flows</b>										
Premiums ceded	14,609,215	-	-	-	14,609,215	11,204,765	-	-	-	11,204,765
Recoveries from reinsurance	-	-	(2,380,347)	-	(2,380,347)	-	-	(1,072,714)	-	(1,072,714)
<b>Total cash inflows</b>	<b>14,609,215</b>	<b>-</b>	<b>(2,380,347)</b>	<b>-</b>	<b>12,228,868</b>	<b>11,204,765</b>	<b>-</b>	<b>(1,072,714)</b>	<b>-</b>	<b>10,132,051</b>
Reinsurance contracts										
Reinsurance contract assets - closing	5,086,497	-	10,224,629	475,801	15,786,927	5,330,767	-	10,058,814	441,339	15,830,920
Reinsurance contract liabilities - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>5,086,497</b>	<b>-</b>	<b>10,224,629</b>	<b>475,801</b>	<b>15,786,927</b>	<b>5,330,767</b>	<b>-</b>	<b>10,058,814</b>	<b>441,339</b>	<b>15,830,920</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.2 Reinsurance contracts held** (continued)

**10.2.2.5 Property**

	As at 31 December 2025				Total	As at 31 December 2024				Total
	Asset for remaining coverage		Asset for incurred claims			Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk		Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts										
Reinsurance contract assets - opening	28,926	-	5,801,875	268,629	6,099,430	2,176,080	-	5,039,852	192,308	7,408,240
Reinsurance contract liabilities - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>28,926</b>	<b>-</b>	<b>5,801,875</b>	<b>268,629</b>	<b>6,099,430</b>	<b>2,176,080</b>	<b>-</b>	<b>5,039,852</b>	<b>192,308</b>	<b>7,408,240</b>
<b>Allocation of reinsurance premium</b>	<b>(19,297,883)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(19,297,883)</b>	<b>(13,714,955)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(13,714,955)</b>
<b>Amounts recoverable from reinsurers</b>										
Claims recovered and other directly attributable expenses			9,798,629	116,975	9,915,604	-	-	3,649,936	157,838	3,807,774
Effect of changes in the risk of reinsurers non-performance	-	-	(240,616)	-	(240,616)	-	-	112,423	-	112,423
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(1,776,147)	172,877	(1,603,270)	-	-	(1,962,461)	(81,517)	(2,043,978)
<b>Amounts recoverable from reinsurers – net</b>	<b>-</b>	<b>-</b>	<b>7,781,866</b>	<b>289,852</b>	<b>8,071,718</b>	<b>-</b>	<b>-</b>	<b>1,799,898</b>	<b>76,321</b>	<b>1,876,219</b>
Finance expense from reinsurance contracts	-	-	(338,213)	-	(338,213)	-	-	(181,235)	-	(181,235)
<b>Total changes in the statement of income</b>	<b>(19,297,883)</b>	<b>-</b>	<b>7,443,653</b>	<b>289,852</b>	<b>(11,564,378)</b>	<b>(13,714,955)</b>	<b>-</b>	<b>1,618,663</b>	<b>76,321</b>	<b>(12,019,971)</b>
<b>Cash flows</b>										
Premiums ceded	18,504,642	-	-	-	18,504,642	11,567,801	-	-	-	11,567,801
Recoveries from reinsurance	-	-	(597,534)	-	(597,534)	-	-	(856,640)	-	(856,640)
<b>Total cash inflows</b>	<b>18,504,642</b>	<b>-</b>	<b>(597,534)</b>	<b>-</b>	<b>17,907,108</b>	<b>11,567,801</b>	<b>-</b>	<b>(856,640)</b>	<b>-</b>	<b>10,711,161</b>
Reinsurance contracts										
Reinsurance contract assets - closing	(764,315)	-	12,647,994	558,481	12,442,160	28,926	-	5,801,875	268,629	6,099,430
Reinsurance contract liabilities - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>(764,315)</b>	<b>-</b>	<b>12,647,994</b>	<b>558,481</b>	<b>12,442,160</b>	<b>28,926</b>	<b>-</b>	<b>5,801,875</b>	<b>268,629</b>	<b>6,099,430</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.2 Reinsurance contracts held** (continued)

**10.2.2.6 Marine**

	As at 31 December 2025				Total	As at 31 December 2024				Total
	Asset for remaining coverage		Asset for incurred claims			Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk		Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts										
Reinsurance contract assets - opening	737,695	-	17,289,055	630,553	18,657,303	82,675	-	8,279,813	305,500	8,667,988
Reinsurance contract liabilities - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>737,695</b>	<b>-</b>	<b>17,289,055</b>	<b>630,553</b>	<b>18,657,303</b>	<b>82,675</b>	<b>-</b>	<b>8,279,813</b>	<b>305,500</b>	<b>8,667,988</b>
<b>Allocation of reinsurance premium</b>	<b>(39,635,367)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39,635,367)</b>	<b>(32,731,018)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(32,731,018)</b>
<b>Amounts recoverable from reinsurers</b>										
Claims recovered and other directly attributable expenses	-	-	26,297,712	391,517	26,689,229	-	-	10,621,209	420,588	11,041,797
Effect of changes in the risk of reinsurers non-performance	-	-	(289,758)	-	(289,758)	-	-	(72,646)	-	(72,646)
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	5,082,652	927,183	6,009,835	-	-	2,740,191	(95,535)	2,644,656
<b>Amounts recoverable from reinsurers - net</b>	<b>-</b>	<b>-</b>	<b>31,090,606</b>	<b>1,318,700</b>	<b>32,409,306</b>	<b>-</b>	<b>-</b>	<b>13,288,754</b>	<b>325,053</b>	<b>13,613,807</b>
Finance (expense) income from reinsurance contracts	-	-	(1,271,028)	-	(1,271,028)	-	-	145,437	-	145,437
<b>Total changes in the statement of income</b>	<b>(39,635,367)</b>	<b>-</b>	<b>29,819,578</b>	<b>1,318,700</b>	<b>(8,497,089)</b>	<b>(32,731,018)</b>	<b>-</b>	<b>13,434,191</b>	<b>325,053</b>	<b>(18,971,774)</b>
<b>Cash flows</b>										
Premiums ceded	33,806,261	-	-	-	33,806,261	33,386,038	-	-	-	33,386,038
Recoveries from reinsurance	-	-	(6,107,596)	-	(6,107,596)	-	-	(4,424,949)	-	(4,424,949)
<b>Total cash inflows</b>	<b>33,806,261</b>	<b>-</b>	<b>(6,107,596)</b>	<b>-</b>	<b>27,698,665</b>	<b>33,386,038</b>	<b>-</b>	<b>(4,424,949)</b>	<b>-</b>	<b>28,961,089</b>
Reinsurance contracts										
Reinsurance contract assets - closing	(5,091,411)	-	41,001,037	1,949,253	37,858,879	737,695	-	17,289,055	630,553	18,657,303
Reinsurance contract liabilities - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>(5,091,411)</b>	<b>-</b>	<b>41,001,037</b>	<b>1,949,253</b>	<b>37,858,879</b>	<b>737,695</b>	<b>-</b>	<b>17,289,055</b>	<b>630,553</b>	<b>18,657,303</b>

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**10. Insurance and reinsurance contracts** (continued)

**10.2 Analysis by remaining coverage and incurred claims** (continued)

**10.2.2 Reinsurance contracts held** (continued)

**10.2.2.7 Protection**

	As at 31 December 2025				Total	As at 31 December 2024				Total
	Asset for remaining coverage		Asset for incurred claims			Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk		Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts										
Reinsurance contract assets - opening	145,654	-	73,809	3,800	223,263	526,384	-	66,960	722	594,066
Reinsurance contract liabilities - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>145,654</b>	<b>-</b>	<b>73,809</b>	<b>3,800</b>	<b>223,263</b>	<b>526,384</b>	<b>-</b>	<b>66,960</b>	<b>722</b>	<b>594,066</b>
<b>Allocation of reinsurance premium</b>	<b>(409,855)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(409,855)</b>	<b>(662,975)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(662,975)</b>
<b>Amounts recoverable from reinsurers</b>										
Claims recovered and other directly attributable expenses	-	-	31,731	1,560	33,291	-	-	64,022	3,050	67,072
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-	-	-	8,817	-	8,817
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	25,538	1,336	26,874	-	-	(575)	28	(547)
<b>Amounts recoverable from reinsurers - net</b>	<b>-</b>	<b>-</b>	<b>57,269</b>	<b>2,896</b>	<b>60,165</b>	<b>-</b>	<b>-</b>	<b>72,264</b>	<b>3,078</b>	<b>75,342</b>
Finance expenses from reinsurance contracts	-	-	(5,222)	-	(5,222)	-	-	(5,043)	-	(5,043)
<b>Total changes in the statement of income</b>	<b>(409,855)</b>	<b>-</b>	<b>52,047</b>	<b>2,896</b>	<b>(354,912)</b>	<b>(662,975)</b>	<b>-</b>	<b>67,221</b>	<b>3,078</b>	<b>(592,676)</b>
<b>Cash flows</b>										
Premiums ceded	299,234	-	-	-	299,234	282,245	-	-	-	282,245
Recoveries from reinsurance	-	-	-	-	-	-	-	(60,372)	-	(60,372)
<b>Total cash inflows</b>	<b>299,234</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>299,234</b>	<b>282,245</b>	<b>-</b>	<b>(60,372)</b>	<b>-</b>	<b>221,873</b>
Reinsurance contracts										
Reinsurance contract assets - closing	35,033	-	125,856	6,696	167,585	145,654	-	73,809	3,800	223,263
Reinsurance contract liabilities - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>35,033</b>	<b>-</b>	<b>125,856</b>	<b>6,696</b>	<b>167,585</b>	<b>145,654</b>	<b>-</b>	<b>73,809</b>	<b>3,800</b>	<b>223,263</b>

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**11. Right-of- use assets and lease liabilities**

a) *Amounts recognised in the statement of financial position*

The statement of financial position shows the following amounts relating to leases:

**Right-of-use assets**

<b>Cost:</b>	<b>2025</b>		
	<b>Office premises</b>	<b>Point-of- sale stores</b>	<b>Total</b>
1 January	16,268,985	2,921,361	19,190,346
Additions during the year	-	-	-
Termination during the year	-	(578,404)	(578,404)
Modification during the year	645,467	746,508	1,391,975
31 December	<b>16,914,452</b>	<b>3,089,465</b>	<b>20,003,917</b>
<b>Accumulated depreciation:</b>			
1 January	(9,865,758)	(1,843,562)	(11,709,320)
Charge for the year	(3,315,181)	(718,503)	(4,033,684)
Termination during the year	-	578,404	578,404
31 December	<b>(13,180,939)</b>	<b>(1,983,661)</b>	<b>(15,164,600)</b>
<b>Net book value</b>			
<b>At 31 December</b>	<b>3,733,513</b>	<b>1,105,804</b>	<b>4,839,317</b>

<b>Cost:</b>	<b>2024</b>		
	<b>Office premises</b>	<b>Point-of- sale stores</b>	<b>Total</b>
1 January	16,268,985	2,964,198	19,233,183
Additions during the year	-	948,236	948,236
Termination during the year	-	(931,122)	(931,122)
Modification during the year	-	(59,951)	(59,951)
31 December	16,268,985	2,921,361	19,190,346
<b>Accumulated depreciation:</b>			
1 January	(7,327,633)	(1,650,361)	(8,977,994)
Charge for the year	(2,538,125)	(685,048)	(3,223,173)
Termination during the year	-	491,847	491,847
31 December	<b>(9,865,758)</b>	<b>(1,843,562)</b>	<b>(11,709,320)</b>
<b>Net book value</b>			
<b>At 31 December</b>	<b>6,403,227</b>	<b>1,077,799</b>	<b>7,481,026</b>

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**11. Right-of- use assets and lease liabilities** (continued)

a) *Amounts recognised in the statement of financial position* (continued)

**Lease liabilities**

Commitments in relation to lease obligations are payable as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Within one year	<b>3,436,269</b>	4,145,720
Later than one year but not later than five years	<b>2,795,646</b>	4,856,670
Later than five years	-	-
	<b>6,231,915</b>	9,002,390
Future finance costs	<b>(187,172)</b>	(379,877)
Total lease liabilities	<b>6,044,743</b>	8,622,513
Current	<b>3,401,048</b>	4,129,027
Non-current	<b>2,643,695</b>	4,493,486
	<b>6,044,743</b>	8,622,513

Movement in lease liabilities is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
1 January	<b>8,622,513</b>	11,107,691
Addition during the year	-	948,236
Termination during the year	-	(361,708)
Modification during the year	<b>1,391,975</b>	(23,326)
Finance cost	<b>441,318</b>	432,741
	<b>10,455,806</b>	12,103,634
Payment during the year	<b>(4,411,063)</b>	(3,481,121)
31 December	<b>6,044,743</b>	8,622,513

The total cash outflow for the 31 December 2025 amounts to Saudi Riyals 4.4 million (2024: Saudi Riyals 3.9 million).

b) *Amounts recognised in the statement of income:*

Total finance costs recognised in the statement of income pertaining to lease liabilities amounted to Saudi Riyals 0.4 million for the year ended 31 December 2025 (2024: Saudi Riyals 0.4 million). Expenses relating to short-term leases amounted to Nil for the year ended 31 December 2025 (2024: Saudi Riyals 0.5 million).

c) *Details for leasing activities of the Company*

The Company leases office premises and various point-of-sale stores across the Kingdom of Saudi Arabia. Rental contracts are typically made for a period of six months to five years, but may have extension options. The weighted average incremental borrowing rate applied to the lease liability having range of 2.9% to 7.6%.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants. Leased assets are not used as security for borrowing purposes.

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**12. Property and equipment**

	<b>Furniture and office equipment</b>	<b>Computer equipment</b>	<b>Vehicles</b>	<b>Leasehold improvements</b>	<b>Total</b>
<b>Cost:</b>					
<b>1 January 2025</b>	<b>16,563,413</b>	<b>9,288,404</b>	<b>475,308</b>	<b>4,707,641</b>	<b>31,034,766</b>
Additions	<b>229,520</b>	<b>236,842</b>	<b>-</b>	<b>-</b>	<b>466,362</b>
<b>At 31 December 2025</b>	<b>16,792,933</b>	<b>9,525,246</b>	<b>475,308</b>	<b>4,707,641</b>	<b>31,501,128</b>
<b>Accumulated depreciation:</b>					
<b>1 January 2025</b>	<b>(12,074,027)</b>	<b>(8,384,242)</b>	<b>(475,308)</b>	<b>(2,404,788)</b>	<b>(23,338,365)</b>
Charge for the year	<b>(770,239)</b>	<b>(708,955)</b>	<b>-</b>	<b>(606,964)</b>	<b>(2,086,158)</b>
<b>31 December</b>	<b>(12,844,266)</b>	<b>(9,093,197)</b>	<b>(475,308)</b>	<b>(3,011,752)</b>	<b>(25,424,523)</b>
<b>Net book value:</b>					
<b>31 December 2025</b>	<b>3,948,667</b>	<b>432,049</b>	<b>-</b>	<b>1,695,889</b>	<b>6,076,605</b>

	<b>Furniture and office equipment</b>	<b>Computer equipment</b>	<b>Vehicles</b>	<b>Leasehold improvements</b>	<b>Total</b>
<b>Cost:</b>					
<b>1 January 2024</b>	<b>16,080,366</b>	<b>8,492,727</b>	<b>475,308</b>	<b>3,983,109</b>	<b>29,031,510</b>
Additions	<b>483,047</b>	<b>795,677</b>	<b>-</b>	<b>724,532</b>	<b>2,003,256</b>
<b>At 31 December 2024</b>	<b>16,563,413</b>	<b>9,288,404</b>	<b>475,308</b>	<b>4,707,641</b>	<b>31,034,766</b>
<b>Accumulated depreciation:</b>					
<b>1 January 2024</b>	<b>(11,571,957)</b>	<b>(7,235,412)</b>	<b>(475,308)</b>	<b>(1,328,272)</b>	<b>(20,610,949)</b>
Charge for the year	<b>(502,070)</b>	<b>(1,148,830)</b>	<b>-</b>	<b>(1,076,516)</b>	<b>(2,727,416)</b>
<b>31 December</b>	<b>(12,074,027)</b>	<b>(8,384,242)</b>	<b>(475,308)</b>	<b>(2,404,788)</b>	<b>(23,338,365)</b>
<b>Net book value:</b>					
<b>31 December 2024</b>	<b>4,489,386</b>	<b>904,162</b>	<b>-</b>	<b>2,302,853</b>	<b>7,696,401</b>

Depreciation charge amounting to Saudi Riyals 2.1 million (2024: Saudi Riyals 2.7 million) has been allocated to insurance service expenses.

The cost of other items of property and equipment is depreciated on the straight-line method to allocate the cost over estimated useful lives, as follows:

	<b>Years</b>
Furniture and office equipment	4-10
Computer equipment	4
Vehicles	4
Leasehold improvements	5

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**13. Intangible assets**

	Software	Motor pricing model	Customer Relationships	Capital work-in-progress	Total
<b>Cost:</b>					
<b>1 January 2025</b>	48,829,383	23,428,000	12,661,000	14,399,586	99,317,969
Additions	1,336,197	-	-	1,618,367	2,954,564
<b>31 December 2025</b>	50,165,580	23,428,000	12,661,000	16,017,953	102,272,533
<b>Accumulated amortisation:</b>					
<b>1 January 2025</b>	(35,329,610)	(13,666,330)	(7,385,588)	-	(56,381,528)
Charge for the year	(8,457,692)	(3,346,317)	(1,808,714)	-	(13,612,723)
<b>31 December 2025</b>	(43,787,302)	(17,012,647)	(9,194,302)	-	(69,994,251)
<b>Net book value: 31 December 2025</b>	6,378,278	6,415,353	3,466,698	16,017,953	32,278,282
	Software	Motor pricing model	Customer Relationships	Capital work-in-progress	Total
<b>Cost:</b>					
<b>1 January 2024</b>	41,174,034	23,428,000	12,661,000	9,198,726	86,461,760
Additions	7,655,349	-	-	5,200,860	12,856,209
<b>31 December 2024</b>	48,829,383	23,428,000	12,661,000	14,399,586	99,317,969
<b>Accumulated amortisation:</b>					
<b>1 January 2024</b>	(28,158,203)	(10,319,474)	(5,576,872)	-	(44,054,549)
Charge for the year	(7,171,407)	(3,346,856)	(1,808,716)	-	(12,326,979)
<b>31 December 2024</b>	(35,329,610)	(13,666,330)	(7,385,588)	-	(56,381,528)
<b>Net book value: 31 December 2024</b>	13,499,773	9,761,670	5,275,412	14,399,586	42,936,441

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**13. Intangible assets** (continued)

Amortisation is charged to the statement of income on a straight-line basis based on the following estimated useful lives:

	<u>Total useful life</u>
Software	4
Motor pricing model	7
Customer relationships	7

- Computer software mainly includes programs which are used for financial reporting purposes.
- Motor pricing model and customer relationships were capitalised as a result of merger with Al Ahlia.
- Capital work-in-progress relates to the software being developed internally.

Amortisation charge amounting to Saudi Riyals 13.3 million (2024: Saudi Riyals 12.3 million) has been allocated to insurance service expenses.

**14. Statutory deposit**

The statutory deposit represents 15% of the paid-up share capital, which is maintained in accordance with the Law on Supervision of Cooperative Insurance Companies in the Kingdom of Saudi Arabia. According to Article 58, the statutory deposit shall be ten percent (10%) of the paid-up capital. However, where the risk profile of the Company's business warrants it, SAMA shall increase this percentage to a maximum of fifteen percent (15%). SAMA is entitled to the earnings of this statutory deposit and it cannot be withdrawn without its consent. In accordance with the instruction received from the Saudi Central Bank (SAMA) vide their circular dated 1 March 2016, the Company has disclosed the commission due on statutory deposit as at 31 December 2025 as an asset and a liability in these financial statements. As requested by IA, the Company has released the accrued income on statutory deposit to IA up to 30 October 2025, amounting to Saudi Riyals 4.6 million.

The gross carrying amount of statutory deposit represent the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1. Investment grade includes those financial assets having credit exposure equivalent to Standard and Poor's rating of AAA to BBB. The Company's exposures to credit risk are not collateralized.

*Movement in allowance for net credit impairment losses on statutory deposits is as follows:*

	<u>31 December 2025</u>	<u>31 December 2024</u>
Opening balance	<b>3,936</b>	8,170
Net credit impairment losses (losses reversed) in statement of income during the year	<b>1,909</b>	(4,234)
Closing balance	<b>5,845</b>	3,936

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**15. Accrued and other liabilities**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Accrued expenses	<b>8,739,387</b>	8,912,552
Withholding tax payable	<b>11,606,936</b>	11,433,722
Other	<b>2,856,180</b>	3,116,158
	<b>23,202,503</b>	23,462,432

**16. Employee benefit obligations**

**16.1 General description of the plan**

The Company operates a defined benefit plan in line with the Labour Law requirement in the Kingdom of Saudi Arabia. The end-of-service benefit payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment, as defined by the conditions stated in the Labour Laws of the Kingdom of Saudi Arabia. Employees' end-of-service benefit plans are unfunded plans and the benefit payment obligation are met when they fall due upon termination of employment.

	<b>31 December 2025</b>	<b>31 December 2024</b>
1 January	<b>19,978,809</b>	19,719,701
Current service cost	<b>3,456,178</b>	3,389,786
Interest expense	<b>943,065</b>	808,660
Payments	<b>(2,626,138)</b>	(4,156,649)
Remeasurement loss	<b>(2,674,253)</b>	217,311
31 December	<b>19,077,661</b>	19,978,809

**16.2 Amounts recognised in the statements of income and comprehensive income**

The amounts recognised in the statements of income and comprehensive income related to employee benefit obligations are as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Current service result	<b>3,456,178</b>	3,389,786
Finance costs	<b>943,065</b>	808,660
<b>Total amount recognised in the statement of income</b>	<b>4,399,243</b>	4,198,446
Remeasurement		
Gain from change in financial assumptions	<b>(3,515,158)</b>	-
Loss from change in demographic assumptions	<b>19,115</b>	-
Loss from change in experience adjustments	<b>821,790</b>	217,311
<b>Total amount recognised in the statement of income</b>	<b>(2,674,253)</b>	217,311

**16.3 Principal actuarial assumptions**

The following range of significant actuarial assumptions was used by the Company for the valuation of post-employment benefit liability:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Discount rate	<b>5.10%</b>	5.25%
Salary growth rate	<b>3.25%</b>	5.25%

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**16. Employee benefit obligations** (continued)

**16.4 Sensitivity analysis for actuarial assumptions**

The impact of changes in sensitivities on present value of defined benefit obligation is as follows:

	Change in assumption		Impact on employee benefit obligations	
	Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	+1%	-1%	<b>1,162,112</b>	<b>1,067,465</b>
Salary growth rate	+1%	-1%	<b>(960,421)</b>	<b>(1,063,152)</b>

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with projected unit credit method at the end of the reporting period) has been applied when calculating the employee benefit obligation.

**16.5 Expected maturity analysis**

The weighted average duration of the defined benefit obligation is 5.4 years (2024: 5.9 years). The expected maturity analysis of undiscounted employee benefit obligations is as follows:

	<u>Less than a year</u>	<u>Between 1 - 2 years</u>	<u>Between 2 - 5 years</u>	<u>Between 5 - 10 years</u>	<u>Over 10 years</u>	<u>Total</u>
<b>31 December 2025</b>	<b>2,876,995</b>	<b>2,610,054</b>	<b>6,279,367</b>	<b>5,924,533</b>	<b>8,064,635</b>	<b>25,755,584</b>
<b>31 December 2024</b>	<b>3,216,362</b>	<b>2,329,841</b>	<b>6,199,475</b>	<b>7,572,570</b>	<b>9,339,219</b>	<b>28,657,467</b>

**17. Share capital**

The authorised, issued and paid up capital of the Company was Saudi Riyals 458.9 million at 31 December 2025 (2024: Saudi Riyals 458.9 million) consisting of 45.8 million shares (2024: 45.8 million shares) of Saudi Riyals 10 each.

Shareholding structure of the Company as of 31 December 2025 and 2024 is as below:

	<u>Authorised and issued</u>		<u>Paid up</u>
	<u>No. of Shares</u>	<u>Saudi Riyals</u>	
<b>31 December 2025</b>			
Rawabi Holding Company	4,717,999	47,179,990	47,179,990
Gulf Union Insurance and Projects Management Holding Company B.S.C. (c.)	2,475,113	24,751,130	24,751,130
Other	38,701,816	387,018,160	387,018,160
	<b>45,894,928</b>	<b>458,949,280</b>	<b>458,949,280</b>
	<u>Authorised and issued</u>		<u>Paid up</u>
	<u>No. of Shares</u>	<u>Saudi Riyals</u>	
<b>31 December 2024</b>			
Rawabi Holding Company	4,717,999	47,179,990	47,179,990
Gulf Union Insurance and Projects Management Holding Company B.S.C. (c.)	2,475,113	24,751,130	24,751,130
Other	38,701,816	387,018,160	387,018,160
	<b>45,894,928</b>	<b>458,949,280</b>	<b>458,949,280</b>

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**18. Statutory reserve**

In accordance with By-laws of the Company and Article 70(2)(g) of the Insurance Implementing Regulations issued by SAMA, the Company is required to transfer not less than 20% of its annual profits, after adjusting accumulated losses, to a statutory reserve until such reserve amounts to 100% of the paid-up share capital of the Company. This reserve is not available for distribution to the shareholders until the liquidation of the Company.

**19. Insurance service results**

An analysis of insurance revenue, insurance expenses and net expenses from reinsurance contracts held by product line for the year ended 31 December 2025 and 2024 is included in following tables respectively. Additional information on amounts recognised in statement of income is included in the insurance contract balances reconciliation.

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**19. Insurance service results** (continued)

	For the year ended 31 December 2025								For the year ended As at 31 December 2024							
	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Insurance revenue from contracts measured under PAA</b>	<b>484,678,215</b>	<b>383,590,401</b>	<b>58,746,221</b>	<b>24,119,252</b>	<b>30,469,687</b>	<b>56,099,483</b>	<b>494,087</b>	<b>1,038,197,346</b>	330,054,941	332,422,074	55,416,410	21,178,804	25,831,761	38,976,018	872,388	804,752,396
Incurred claims and other incurred insurance service expenses*	(413,379,507)	(372,328,829)	(17,797,271)	(6,213,176)	(14,682,544)	(30,142,619)	(122,393)	(854,666,339)	(264,785,239)	(265,299,125)	(39,117,831)	(6,685,672)	(5,155,358)	(13,777,035)	(206,258)	(595,026,518)
Losses (reversal of losses) on onerous contracts	7,843,376	(17,691,088)	-	-	-	-	-	(9,847,712)	(2,446,718)	2,687,292	-	-	-	-	-	240,574
Changes that relate to past service - adjustments to the LIC	3,790,440	4,108,119	(1,495,429)	1,437,664	1,497,909	(7,215,110)	(40,684)	2,082,909	(1,104,716)	31,374,251	444,930	(1,989,278)	3,284,798	(2,299,808)	153,733	29,863,910
Insurance acquisition cash flows amortisation	(77,694,236)	(90,455,124)	(13,054,713)	(5,907,296)	(6,691,036)	(6,809,686)	(222,840)	(200,834,931)	(50,656,724)	(75,629,223)	(11,761,631)	(4,496,513)	(4,313,202)	(5,424,145)	(193,884)	(152,475,322)
<b>Total insurance service expenses</b>	<b>(479,439,927)</b>	<b>(476,366,922)</b>	<b>(32,347,413)</b>	<b>(10,682,808)</b>	<b>(19,875,671)</b>	<b>(44,167,415)</b>	<b>(385,917)</b>	<b>(1,063,266,073)</b>	<b>(318,993,397)</b>	<b>(306,866,805)</b>	<b>(50,434,532)</b>	<b>(13,171,463)</b>	<b>(6,183,762)</b>	<b>(21,500,988)</b>	<b>(246,409)</b>	<b>(717,397,356)</b>
<b>Reinsurance income - contracts measured under the PAA</b>																
<b>Reinsurance premium ceded</b>	<b>(36,454,217)</b>	<b>(11,073,084)</b>	<b>(18,188,756)</b>	<b>(14,853,485)</b>	<b>(19,297,883)</b>	<b>(39,635,367)</b>	<b>(409,855)</b>	<b>(139,912,647)</b>	(20,273,204)	(10,641,072)	(14,561,787)	(11,637,411)	(13,714,955)	(32,731,018)	(662,975)	(104,222,422)
Claims recovered	4,511,633	-	3,206,735	3,927,128	9,915,604	26,689,229	33,291	48,283,620	13,132,157	2,923,832	11,677,571	4,781,174	3,807,774	11,041,797	67,072	47,431,377
Effect of changes in the risk of reinsurers non-performance	(2,672,422)	(294,795)	242,580	(198,890)	(240,616)	(289,758)	-	(3,453,901)	(686,391)	531,942	(683,140)	(100,171)	112,423	(72,646)	8,817	(889,166)
Losses on onerous contracts and reversal of the losses	-	-	-	-	-	-	-	-	(177,063)	-	-	-	-	-	-	(177,063)
Changes that relate to past service - adjustments to incurred claims	26,191,472	3,605,835	2,983,817	(1,028,144)	(1,603,270)	6,009,835	26,874	36,186,419	2,239,077	(3,106,840)	2,144,925	2,593,073	(2,043,978)	2,644,656	(547)	4,470,366
Changes in reinsurance due to adjustment premiums	(1,792,908)	-	-	-	-	-	-	(1,792,908)	(3,368,125)	-	-	-	-	-	-	(3,368,125)
<b>Total net expenses from reinsurance contracts</b>	<b>(10,216,442)</b>	<b>(7,762,044)</b>	<b>(11,755,624)</b>	<b>(12,153,391)</b>	<b>(11,226,165)</b>	<b>(7,226,061)</b>	<b>(349,690)</b>	<b>(60,689,417)</b>	<b>(9,133,549)</b>	<b>(10,292,138)</b>	<b>(1,422,431)</b>	<b>(4,363,335)</b>	<b>(11,838,736)</b>	<b>(19,117,211)</b>	<b>(587,633)</b>	<b>(56,755,033)</b>
<b>Insurance service result from Company's directly written business</b>	<b>(4,978,154)</b>	<b>(100,538,565)</b>	<b>14,643,184</b>	<b>1,283,053</b>	<b>(632,149)</b>	<b>4,706,007</b>	<b>(241,520)</b>	<b>(85,758,144)</b>	1,927,995	15,263,131	3,559,447	3,644,006	7,809,263	(1,642,181)	38,346	30,600,007
Share of surplus from insurance pools	-	-	-	-	-	-	-	1,758,761	-	-	-	-	-	-	-	8,290,522
<b>Total insurance service result</b>	<b>(4,978,154)</b>	<b>(100,538,565)</b>	<b>14,643,184</b>	<b>1,283,053</b>	<b>(632,149)</b>	<b>4,706,007</b>	<b>(241,520)</b>	<b>(83,999,383)</b>	1,927,995	15,263,131	3,559,447	3,644,006	7,809,263	(1,642,181)	38,346	38,890,529

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**20. Investment income**

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b><u>Interest income from financial assets not measured at FVTPL</u></b>		
Sukuks	<b>6,314,588</b>	5,598,295
Term deposits	<b>21,981,959</b>	22,676,556
Time deposit	<b>134,694</b>	320,817
	<b>28,431,241</b>	28,595,668
<b><u>Interest income from financial assets measured at FVTPL</u></b>	<b>2,568,386</b>	2,581,160
<b><u>Net income (losses) on financial assets measured at FVTPL</u></b>	<b>4,133,673</b>	(1,053,167)
Dividend income	<b>1,903,602</b>	1,549,259
Net credit impairment losses on financial assets	<b>(5,953)</b>	(6,318)
<b>Total Investment Income</b>	<b>37,030,949</b>	31,666,602

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**21. Insurance finance expense - net**

An analysis of the net insurance finance (expense) income by product line for year ended 31 December 2025 and 2024 respectively is presented below:

**For the year ended 31 December 2025:**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>31 December 2025</b>								
<b>Finance (expense) income from insurance contracts issued</b>								
Interest (accrued) reversed	(2,970,606)	(747,924)	437,996	103,379	521,258	1,421,329	7,006	(1,227,562)
Effects of changes in interest rates and other financial assumptions	(4,759)	-	5,612	491	-	8,890	90	10,324
Foreign exchange differences	-	-	-	-	-	-	-	-
<b>Finance (expense) income from insurance contracts issued</b>	<b>(2,975,365)</b>	<b>(747,924)</b>	<b>443,608</b>	<b>103,870</b>	<b>521,258</b>	<b>1,430,219</b>	<b>7,096</b>	<b>(1,217,238)</b>
<b>Finance (expense) income from reinsurance contracts held</b>								
Interest accrued	(49,818)	(13,033)	(270,163)	(118,906)	(338,213)	(1,263,128)	(5,156)	(2,058,417)
Effects of changes in interest rates and other financial assumptions	(80)	-	(3,462)	(564)	-	(7,900)	(66)	(12,072)
Foreign exchange differences	-	-	-	-	-	-	-	-
<b>Finance income (expense) from reinsurance contracts held</b>	<b>(49,898)</b>	<b>(13,033)</b>	<b>(273,625)</b>	<b>(119,470)</b>	<b>(338,213)</b>	<b>(1,271,028)</b>	<b>(5,222)</b>	<b>(2,070,489)</b>
<b>Net insurance finance (expense) income</b>	<b>(3,025,263)</b>	<b>(760,957)</b>	<b>169,983</b>	<b>(15,600)</b>	<b>183,045</b>	<b>159,191</b>	<b>1,874</b>	<b>(3,287,727)</b>

**For the year ended 31 December 2024:**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>31 December 2024</b>								
<b>Finance (expense) income from insurance contracts issued</b>								
Interest (accrued) reversed	(1,033,106)	969,712	159,577	599,778	239,634	(237,449)	4,260	702,406
Effects of changes in interest rates and other financial assumptions	109,930	18,516	(32,379)	(32,405)	(18,859)	17,282	-	62,085
Foreign exchange differences	-	-	-	-	-	-	-	-
<b>Finance (expense) income from insurance contracts issued</b>	<b>(923,176)</b>	<b>988,228</b>	<b>127,198</b>	<b>567,373</b>	<b>220,775</b>	<b>(220,167)</b>	<b>4,260</b>	<b>764,491</b>
<b>Finance income (expense) from reinsurance contracts held</b>								
Interest reversed (accrued)	227,942	56,860	(121,891)	(445,763)	(167,126)	131,126	(5,043)	(323,895)
Effects of changes in interest rates and other financial assumptions	232	1,026	(4,373)	(25,348)	(14,109)	14,311	-	(28,261)
Foreign exchange differences	-	-	-	-	-	-	-	-
<b>Finance income (expense) from reinsurance contracts held</b>	<b>228,174</b>	<b>57,886</b>	<b>(126,264)</b>	<b>(471,111)</b>	<b>(181,235)</b>	<b>145,437</b>	<b>(5,043)</b>	<b>(352,156)</b>
<b>Net insurance finance (expense) income</b>	<b>(695,002)</b>	<b>1,046,114</b>	<b>934</b>	<b>96,262</b>	<b>39,540</b>	<b>(74,730)</b>	<b>(783)</b>	<b>412,335</b>

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**22. Operating expenses**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Commission incurred and other underwriting expenses	<b>130,950,624</b>	86,642,861
Salaries and benefits	<b>80,742,112</b>	71,006,480
Depreciation and amortisation	<b>15,698,881</b>	15,054,395
Professional fee	<b>9,652,888</b>	9,844,038
Information technology	<b>7,441,689</b>	7,904,853
Insurance expense (Note 22.2)	<b>6,414,539</b>	6,293,771
Rentals	<b>4,055,634</b>	3,055,752
Office Maintenance	<b>824,266</b>	445,869
Utilities	<b>2,046,475</b>	471,191
Other	<b>8,912,716</b>	5,386,938
	<b>266,739,824</b>	206,106,148

**22.1 Allocation of expenses is as follows:**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Other incurred insurance service expenses (Note 22.3)	<b>43,775,654</b>	34,645,746
Insurance acquisition cash flows amortisation (Note 22.3)	<b>200,834,931</b>	152,475,322
Other operating expenses (Note 22.4)	<b>22,129,239</b>	18,985,080
	<b>266,739,824</b>	206,106,148

**22.2** The insurance expense covers essential insurance policies related to employees and other operational purposes.

**22.3** Reported as part of insurance service expenses.

**22.4** Other operating expenses include non-attributable expenses which are administrative expenses and are not linked to insurance contracts.

**23. Finance cost**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Finance cost on lease liabilities	<b>441,318</b>	432,741
	<b>441,318</b>	432,741

**24. Share of surplus from insurance pools**

	<b>Insurance Revenue</b>	
	<b>31 December 2025</b>	<b>31 December 2024</b>
Hajj and Umrah (Note 24.1)	<b>672,179</b>	20,952,131
Inherent Defect Insurance (Note 24.2)	<b>2,530,327</b>	3,437,772
Rights and Entitlements of Non-Saudi Employee (Note 24.3)	<b>14,282,860</b>	-
	<b>17,485,366</b>	24,389,903

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**24. Share of surplus from insurance pools (continued)**

	<b>Net expenses</b>	
	<b>31 December 2025</b>	<b>31 December 2024</b>
Hajj and Umrah (Note 24.1)	74	14,512,772
Inherent Defect Insurance (Note 24.2)	<b>3,515,243</b>	1,586,609
Rights and Entitlements of Non-Saudi Employee (Note 24.3)	<b>12,211,288</b>	-
	<b>15,726,605</b>	<b>16,099,381</b>
Share of surplus from insurance pools	<b>1,758,761</b>	<b>8,290,522</b>

**24.1 Share of surplus from Umrah & Hajj scheme**

This represents the Company's share in the surplus for general accident and medical products arising from the Hajj and Umrah scheme. The Company with twenty-seven other insurance companies operating in the Kingdom of Saudi Arabia, entered into an agreement with CCI effective from January 1, 2020. The compulsory Umrah product is offered by the ministry and approved by SAMA for insurance of pilgrims coming from outside of the Kingdom of Saudi Arabia except for citizens of the Gulf Cooperation Council countries. This covers general accidents and medical of the pilgrims entering the Kingdom of Saudi Arabia to perform Umrah. The agreement terms are for 4 years starting from January 1, 2020 and it is renewable for another four years subject to the terms and conditions of the agreement. There is no renewal to the agreement in 2024 as the aforementioned arrangement has been discontinued.

**24.2 Share of surplus from Inherent defects insurance**

This represents the Company's share of surplus of 5.13% in the Inherent Defects Insurance ("IDI") product. On June 25, 2020, a Joint Venture agreement was signed among thirteen insurance companies ("Participating Companies") operating in Kingdom of Saudi Arabia for IDI product, based on the SAMA approval authorizing Malath Cooperative Insurance Company ("Malath") as the leading company, to manage the IDI program on behalf of the participating insurance companies, selling the product and providing its insurance coverage by creating joint insurance portfolios. Malath exclusively managed the portfolio during the period of validity of the IDI agreement of five years from issue date. The agreement expired during the year ended 31 December 2025. Effective 24 June 2025, Tawuniya Cooperative Insurance Company has been appointed as the new operator for IDI. Following an increase in the number of participants from thirteen to seventeen, the Company's share has now changed to 4.9%.

IDI is a mandatory insurance policy for contractors to insure against inherent defects that may appear in buildings and constructions after their occupation in non-governmental sector projects, according to Saudi Council of Ministers Decree No. 509 of 21/09/1439 AH (corresponding to 05/06/2018) and in accordance with the decision 441/187of the Governor of Saudi Central Bank ("SAMA") dated 05/08/1441 AH (corresponding to 29/03/2020).

**24.3 Rights and Entitlements of Non-Saudi Employees in Private Sector Entities Insurance**

The Company along with nineteen other insurance companies operating in the Kingdom of Saudi Arabia, entered into an agreement with Al-Etihad Cooperative Insurance Company, effective from 3 November 2024. This compulsory product covers defaults default of entities in paying the rights and entitlements of non-Saudi employees in private sector entities offered by the "Ministry of Human Resources and Social Development" through IA.

The agreement is valid for an initial term of five years, starting from 3 November 2024, and renewable for another five years, subject to the terms and conditions of the agreement.

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**25. Zakat and Income Tax**

*(a) Zakat*

The current year's zakat provision is based on the following:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Equity and provisions at the end of year	778,680,107	640,991,681
Liabilities and other additions to Zakat base	17,344,351	58,378,295
Lease liabilities	1,741,663	4,493,486
Investments	<b>(429,352,984)</b>	(348,720,016)
Right-of-use assets	<b>(4,839,318)</b>	(7,481,027)
Property and equipment	<b>(6,076,605)</b>	(7,696,401)
Intangible assets	<b>(32,278,282)</b>	(42,936,441)
Goodwill	<b>(67,697,750)</b>	(67,697,750)
Statutory deposits	<b>(68,836,547)</b>	(68,838,456)
Zakat base	<b>188,684,635</b>	160,493,371
Zakat due at 2.578% (Saudi Shareholders' share of zakat base @ 99%)	<b>4,815,647</b>	4,096,144

The differences between the financial and results subject to zakat are mainly due to provisions, which are not allowed in the calculation of adjusted income. The movement in the zakat provision for the year was as follows:

	<b>2025</b>	<b>2024</b>
1 January	15,360,349	23,795,052
Provided during the year	6,000,000	4,785,000
Provided during the year for prior year	4,800,000	2,693,778
Payments during the year	<b>(12,122,398)</b>	(15,913,481)
31 December	<b>14,037,951</b>	15,360,349

Income tax is calculated at 20% of the adjusted taxable income on the portion of equity owned by the foreign shareholders. The movement in the tax provision for the year was as follows:

*(b) Income tax*

	<b>2025</b>	<b>2024</b>
1 January	215,000	-
Provision during the years	-	427,351
Payments during the year	<b>(83,053)</b>	(212,351)
31 December	<b>131,947</b>	215,000

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**25. Zakat and Income Tax** (continued)

Combined movement of zakat and income tax was as follows:

	<b>2025</b>	<b>2024</b>
1 January	<b>15,575,348</b>	23,795,052
Provided during the year	<b>10,800,000</b>	7,906,128
Payments during the year	<b>(12,205,451)</b>	(16,125,832)
31 December	<b><u>14,169,897</u></b>	<u>15,575,348</u>

*(b) Status of assessment*

In 2018, Al Ahlia received zakat and income tax assessments amounting to Saudi Riyals 2.1 million for 2011 and 2012 from ZATCA. Further, during 2020, Al Ahlia received assessments amounting to Saudi Riyals 9.5 million for the year 2015 through 2018. During the year ended 31 December 2025, the Company has agreed to settle the liability in twelve instalments ending in February 2026.

The final assessments for the years 2019 through 2024 are not yet issued by the ZATCA. The zakat and income tax liability as computed by the Company could be different from the zakat and tax liability as assessed by the ZATCA for these years.

The Company has obtained Zakat and income tax certificates from the ZATCA for the years through 2024.

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**26. Basic and diluted (losses) earnings per share**

Basic and diluted (losses) earnings per share for the year ended 31 December 2025 and 2024 are calculated by dividing net (loss) profit for the year attributable to the shareholders by the weighted average number of outstanding shares during the year.

The basic and diluted (losses) earnings per share is calculated as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Net (loss) profit for the year attributable to the shareholders	<b>(83,626,718)</b>	43,645,516
Weighted average number of ordinary shares for basic and diluted income per share (Note 17)	<b>45,894,928</b>	45,894,928
Basic and diluted (losses) earnings per share	<b>(1.82)</b>	0.95

**27. Related party transactions and balances**

Related parties represent major shareholders, directors and key management personnel of the Company, and companies of which they are principal owners, and any other entities controlled, jointly controlled or significantly influenced by them. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors. The due from and to balances of related parties are unsecured, interest free and repayable in cash on demand. The following are the details of the major related party transactions during the year and the related balances:

<b>Nature of transactions</b>	<b>Transactions for the year ended</b>	
	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Major shareholders</b>		
Gross premiums (forming part of insurance revenue)	<b>42,231,185</b>	38,616,088
Net claims paid (forming part of insurance service expenses)	<b>2,420,015</b>	2,026,552
Rent expense	<b>2,071,520</b>	1,035,760
<b>Board members</b>		
Fees and related expenses	<b>3,675,000</b>	3,805,499
<b>Balance receivable (payable) as at</b>		
<b>Nature of transactions</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Shareholders</b>		
Insurance contract liabilities - Liability for remaining coverage (expected premium receipts)	<b>45,152,201</b>	25,899,394
Insurance contract liabilities - Liability for incurred claims (claims payable)	<b>(1,789,449)</b>	(1,700,484)

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**27. Related party transactions and balances (continued)**

The compensation of key management personnel during the year ended is as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Salaries and benefits	7,974,581	7,574,553
Employee benefit obligations	<b>850,524</b>	975,970
	<b>8,825,105</b>	8,550,523

Key management personnel include senior management, department heads and board of directors.

Compensation to key management personnel is based on employment terms and as per the by-laws of the Company.

**28. Fair value of financial instruments**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- a) Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- b) Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- c) Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table shows the carrying amount and fair values of financial assets, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial asset and liabilities not measured at fair value if the carrying amount is a reasonable approximation to fair value, as these are either short-term in nature or carry interest rates which are based on prevalent market interest rates. The amortised costs of the sukuk is approximates the fair value as these sukuk are based on prevailing market interest rates.

(a) *Carrying amounts and fair value*

	<b>31 December 2025</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets measured at fair value</b>				
Mutual funds	65,641,669	-	-	65,641,669
Ordinary shares	54,071,712	-	145,443,572	199,515,284
Sukuks	18,941,025	-	-	18,941,025
<b>Total investments</b>	<b>138,654,406</b>	-	<b>145,443,572</b>	<b>284,097,978</b>
	<b>31 December 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets measured at fair value</b>				
Mutual funds	82,924,693	-	-	82,924,693
Ordinary shares	33,338,029	-	122,247,674	155,585,703
Sukuks	22,134,250	-	-	22,134,250
<b>Total investments</b>	<b>138,396,972</b>	-	<b>122,247,674</b>	<b>260,644,646</b>

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**28. Fair value of financial instruments** (continued)

(a) *Carrying amounts and fair value* (continued)

Significant unobservable inputs were used in the valuation of level 3 investments based on fair value estimates from reputable third-party valuer who use technique such as discounted cash flows and other sophisticated models. During the year ended 31 December 2025, there have been no transfers between level 1, level 2 and level 3.

Cash and cash equivalents, deposits, statutory deposit, accrued income on statutory deposits and the financial liabilities except employee benefit obligations are measured at amortised cost.

Specific valuation techniques used by management's independent experts to value financial instruments in Level 3 i.e. Najm investment, are as follows:

- **Discounted cash flows ("DCF") method:** The DCF valuation to discount the future operating cash flows of the Company to their present value using a weighted average cost of capital as the discount rate ("WACC"). The value derived from such an analysis results into a value for the enterprise (the "Enterprise Value"). This value includes the equity value of the company in addition to its net debt position. In order to arrive to an equity value of a company (the "Equity Value"), all outstanding financial debt and debt-like items, adjusted for excess cash and other liquid financial assets such as Murabahas and other investments, are subtracted from the Enterprise Value; and
- **Market multiples method:** The acquisition multiples of comparable private precedent transactions were assessed to indicate the value of the Company based on similar private transactions that have occurred during the previous period and covering full economic cycle. The Company has relied on local multiples valuation consisting of companies operating with a similar business model.

A weight of 60% and 40%, respectively, (2024: 60% and 40%) are then applied to the fair values determined under both methods, to arrive at the equity valuation of najm and the Company then accounts for its share in equity of Najm i.e. 6.9%.

Cash and cash equivalents, deposits, statutory deposit, accrued income on statutory deposits and the financial liabilities except employee benefit obligations are measured at amortised cost.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Furthermore, there were no transfers into and out of level 3 measurements.

(b) *Reconciliation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy*

	<b>31 December 2025</b>	<b>31 December 2025</b>
Balance at the beginning of the year	<b>122,247,674</b>	86,968,505
Unrealised gain on fair value of FVOCI	<b>23,195,898</b>	35,279,169
Balance at the end of the year	<b>145,443,572</b>	122,247,674

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**28. Fair value of financial instruments** (continued)

	Fair value		Unobservable inputs		Range of inputs		Relationship of Unobservable input to Fair value
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024	
Unquoted equity investment in Najm	<b>145,443,572</b>	122,247,674	<b>Revenue growth rate</b>	Revenue growth rate	<b>8.8%</b>	9.9%	Reducing the revenue growth rate by 100 basis points, would decrease the fair value by Saudi Riyals 2.2 million (2024: Saudi Riyals 1.2 million).
			<b>WACC</b>	WACC	<b>17%</b>	16.5%	Increasing the WACC by 100 basis points, would decrease the fair value by Saudi Riyals 3.8 million (2024: Saudi Riyals 3.4 million).
			<b>Terminal value growth rate</b>	Terminal value growth rate	<b>1.5%</b>	1.5%	Reducing the terminal value growth rate to 0.5%, would decrease the fair value by Saudi Riyals 2 million (2024: Saudi Riyals 2.2 million).
			<b>EV/EBITDA multiple</b>	EV/EBITDA multiple	<b>7</b>	7	Reducing the EV/EBITDA multiple to 6, would decrease the fair value by Saudi Riyals 6 million (2024: Saudi Riyals 2.88 million).

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**29. Operating segments**

A segment is a distinguishable component of the Company that is engaged in providing products or services (a business segment), which is subject to risk and rewards that are different from those of other segments. Segment performance is evaluated based on profit or loss which, in certain respects, is measured differently from profit or loss in the financial statements.

The Board of Directors of the Company monitors the results of the Company's operations and have been identified as the Chief Operating Decision Maker (CODM). The net results of the Company are reported to the Board of Directors for the Company as a whole. Furthermore, the Company operates in one geographical area i.e. Kingdom of Saudi Arabia.

Accordingly, segmental analysis of the statement of income and other comprehensive income and statement of financial position is not carried out as the CODM considers the Company to be a single operating segment based on the nature of its operations and products. However, the Company has disclosed its insurance related balances/results by product lines, which are determined based on the disaggregation principles of IFRS 17. These include insurance contract liabilities/assets, reinsurance contract assets/liabilities, insurance service results and insurance finance income/expenses. Refer Notes 10, 19 and 21 for such analysis.

**30. Risk management**

**Risk governance**

The Company's risk governance is manifested in a set of established policies, procedures and controls which uses the existing organizational structure to meet strategic targets. The Company's philosophy revolves on willing and knowledgeable risk acceptance commensurate with the risk appetite and strategic plan approved by the Board of Directors of the Company. The Company is exposed to insurance, reinsurance, regulatory framework, credit, liquidity, foreign currency, commission rate, and market risk.

*Risk management structure*

A cohesive organisational structure is established within the Company in order to identify, assess, monitor and control risks.

*Board of Directors*

The apex of risk governance is the centralised oversight of Board of Directors providing direction and the necessary approvals of strategies and policies in order to achieve defined corporate goals.

*Senior management*

Senior management is responsible for the day to day operations towards achieving the strategic goals within the Company's pre-defined risk appetite.

*Audit Committee and Internal Audit Department*

Risk management processes throughout the Company are audited annually by the Internal Audit Department which examines both the adequacy of the procedures and the Company's compliance with such procedures.

The internal audit department discusses the results of all assessments with senior management, and reports its findings and recommendations directly to the Audit Committee.

The primary objective of the Company's risk and financial management framework is to protect the Company from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities.

The risks faced by the Company and the manner in which these risks are mitigated by management are summarised below:

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**30. Risk management (continued)**

**30.1 Insurance risk**

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

The Company purchases reinsurance as part of its risks mitigation program. Reinsurance ceded is placed on both a proportional and non-proportional basis. The majority of proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the Company to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the Company's net exposure to catastrophe losses. Retention limits for the excess-of-loss reinsurance vary by product line and territory.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance ceded, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance arrangements. The Company's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Company substantially dependent upon any single reinsurance contract.

**Frequency and severity of claims**

The frequency and severity of claims can be affected by several factors like natural disasters, flood, environmental and economical, atmospheric disturbances, concentration of risks, civil riots etc. The Company manages this risk through the measures described above. The company has limited its risk by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events (e.g., hurricanes, earthquakes and flood damage). The purpose of these underwriting and reinsurance strategies is to limit exposure to catastrophes based on the Company's risk appetite as decided by management. The Board of Directors may decide to increase or decrease the maximum tolerances based on market conditions and other factors. The Company monitors concentration of insurance risks primarily by class of business. The Risk management committee closely reviews decisions related to claims and periodically assesses claim handling processes and guidelines. Additionally, risk management committee establishes and implements appropriate reserving mechanisms.

**Concentration of insurance risk**

The Company monitors concentration of insurance risks primarily by class of business. The major concentration lies in medical and motor portfolio.

The Company also monitors concentration of risk by evaluating multiple risks covered in the same geographical location. For flood or earthquake risk, a complete city is classified as a single location. For fire and property risk a particular building and neighboring buildings, which could be affected by a single claim incident, are considered as a single location. Similarly, for marine risk, multiple risks covered in a single vessel voyage are considered as a single risk while assessing concentration of risk. The Company evaluates the concentration of exposures to individual and cumulative insurance risks and establishes its reinsurance policy to reduce such exposures to levels acceptable to the Company.

Since the Company operates primarily in Saudi Arabia, hence, all the insurance risks relate to policies written in Saudi Arabia.

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**30. Risk management** (continued)

**30.1 Insurance Risk** (continued)

**Reinsurance Risk**

In order to minimise financial exposure arising from large claims, the Company, in the normal course of business, enters into agreements with other parties for reinsurance purposes.

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

Reinsurers are selected using the following parameters and guidelines set by the Company's Board of Directors and Reinsurance Committee. The criteria may be summarised as follows:

- The reinsurers selected met SAMA's minimum acceptable rating of BBB from a reputable credit agency;
- Reputation of particular reinsurance companies; and
- Existing or past business relationship with the reinsurer.

The Company evaluates concentration of exposures to individual and cumulative insurance risks and establishes its reinsurance policy to reduce such exposures to the acceptable levels. Additionally, it conducts regular actuarial reviews of reinsurance and have the well-defined strategy and plan in place to effectively manage this risk.

Furthermore, the financial strength and managerial and technical expertise as well as historical performance of the reinsurers, wherever applicable, are thoroughly reviewed by the Company and agreed to pre-set requirements of the Company's Board of Directors and Reinsurance Committee before approving them for reinsurance business. As at 31 December 2025, 30% of reinsurance receivables balance was due from one party (31 December 2024: 40% due from one party).

Reinsurance ceded contracts do not relieve the Company from its obligations to policyholders and as a result the Company remains liable for the portion of insurance contract liabilities reinsured to the extent that the reinsurer fails to meet the obligations under the reinsurance agreements.

The following tables show the concentration of net insurance contract liabilities by type of contract:

	<b>31 December 2025</b>			<b>31 December 2024</b>		
	<b>Insurance contracts issued</b>	<b>Reinsurance contracts held</b>	<b>Net</b>	<b>Insurance contracts issued</b>	<b>Reinsurance contracts held</b>	<b>Net</b>
Medical	<b>214,692,571</b>	<b>(650,906)</b>	<b>214,041,665</b>	217,449,278	(2,872,407)	214,576,871
Motor	<b>165,578,349</b>	<b>(2,474,572)</b>	<b>163,103,777</b>	172,370,604	(4,455,167)	167,915,437
General						
Accident & Liability	<b>50,828,194</b>	<b>(8,027,549)</b>	<b>42,800,645</b>	56,700,818	(13,552,652)	43,148,166
Engineering	<b>24,353,366</b>	<b>(15,786,927)</b>	<b>8,566,439</b>	22,669,426	(15,830,920)	6,838,506
Property	<b>23,417,074</b>	<b>(12,442,160)</b>	<b>10,974,914</b>	10,471,262	(6,099,430)	4,371,832
Marine	<b>45,906,956</b>	<b>(37,858,879)</b>	<b>8,048,077</b>	19,805,209	(18,657,303)	1,147,906
Protection	<b>314,079</b>	<b>(167,585)</b>	<b>146,494</b>	353,817	(223,263)	130,554
<b>Total</b>	<b>525,090,589</b>	<b>(77,408,578)</b>	<b>447,682,011</b>	499,820,414	(61,691,142)	438,129,272

The Company evaluates the concentration of exposures to individual and cumulative insurance risks and establishes its reinsurance policy to reduce such exposures to levels acceptable to the Company.

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**30. Risk management** (continued)

**30.1 Insurance Risk** (continued)

**Sources of uncertainty in estimation of future claim payments**

The key source of estimation uncertainty at the reporting date relates to valuation of outstanding claims, whether reported or not, and includes expected claims settlement costs. Considerable judgment by management is required in the estimation of amounts due to policyholders arising from claims made under insurance contracts. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty. Actual results may differ from management's estimates resulting in future changes in estimated liabilities. Qualitative judgments are used to assess the extent to which past trends may not apply in the future, for example one-off occurrence, changes in market factors such as public attitude to claiming and economic conditions. Judgment is further used to assess the extent to which external factors affect the estimates.

In particular, estimates have to be made both for the expected ultimate cost of claims reported at the statement of financial position date and for the expected ultimate cost of claims at the statement of financial position date. The details of estimation of insurance contract liabilities are given under Note 4.

**Process used to determine assumptions**

The process used to determine the assumptions for calculating the estimate of present value of cash flows is intended to result in neutral estimates of the most likely or expected outcome. The nature of the business makes it very difficult to predict with certainty the likely outcome of any particular claim and the ultimate cost of notified claims. Each notified claim is assessed on a separate, case by case basis with due regard to claim circumstances, information available from surveyors and historical evidence of the size of similar claims. Case estimates are reviewed regularly and are updated as and when new information is available.

The estimation of estimate of present value of cash flows is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Company, in which case information about the claim event is available. Such estimates are initially estimated at a gross level and a separate calculation is carried out to estimate the size of the reinsurance recoveries. The estimation process takes into account the past claims reporting pattern and details of reinsurance programs.

**Sensitivity analysis on significant assumptions used**

The Company believes that the claim liabilities under insurance contracts outstanding at the reporting periods below are adequate. However, these amounts are not certain and actual payments may differ from the claim's liabilities provided in the financial statements. The insurance results are sensitive to various assumptions. It has not been possible to quantify the sensitivity specific variable such as legislative changes or uncertainties in the estimation process.

The following sensitivity analysis shows the impact on gross and net liabilities, profit / loss before tax for reasonably possible movements in key assumptions with all other assumptions in notes 3 and 4 held constant. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear.

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**30. Risk management** (continued)

**30.1 Insurance Risk** (continued)

**Sensitivity analysis on significant assumptions used** (continued)

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Liability for incurred claims</b>		
Estimates of present value of FCF	<b>384,849,836</b>	288,766,117
Risk adjustment for non-financial risk	<b>9,812,815</b>	7,467,962
<b>Asset for incurred claims</b>		
Estimates of present value of FCF	<b>90,807,173</b>	59,124,461
Risk adjustment for non-financial risk	<b>3,572,886</b>	1,677,555

Following are the sensitivities derived for the portfolios computed under PAA approach before risk mitigation by reinsurance contracts held:

	<b>31 December 2025</b>	<b>31 December 2024</b>
	<b>Impact on loss before zakat and income Tax</b>	<b>Impact on profit before zakat and income tax</b>
<b>Change in estimates of present value of FCF</b>		
Increase of 5% in the ultimate claims cost	<b>17,448,495</b>	20,908,183
Decrease of 5% in the ultimate claims cost	<b>(25,889,608)</b>	(23,518,291)
<b>Change in risk adjustment for non-financial risk</b>		
5 percentiles increase in the confidence level	<b>490,798</b>	373,516
5 percentiles decrease in the confidence level	<b>(490,798)</b>	(373,516)

Following are the sensitivities derived for the portfolios computed under PAA approach for the reinsurance contracts held:

	<b>31 December 2025</b>	<b>31 December 2024</b>
	<b>Impact on loss before zakat and income tax</b>	<b>Impact on profit before zakat and income tax</b>
<b>Change in estimates of present value of FCF</b>		
Increase of 5% in the ultimate claims cost	<b>1,949,817</b>	4,282,012
Decrease of 5% in the ultimate claims cost	<b>(8,233,246)</b>	(3,713,943)
<b>Change in risk adjustment for non-financial risk</b>		
5 percentiles increase in the confidence level	<b>941,472</b>	442,043
5 percentiles decrease in the confidence level	<b>(844,819)</b>	(396,662)

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**30. Risk management** (continued)

**30.1 Insurance Risk** (continued)

**Sensitivity analysis on significant assumptions used** (continued)

The following shows the impact of a reasonable possible change in direct expense ratio on the loss component as at the reporting date.

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Impact on net income of change in direct expense ratio - loss component*</b>		
2% Increase	<b>(1,553,264)</b>	(4,565,874)
2% Decrease	<b>1,553,264</b>	3,409,906

\*Direct expense ratio is the ratio of sum of directly attributable expenses, acquisition cash flows and surplus for the period to earned premium.

**Claims development table**

The following tables show the estimates of cumulative incurred claims, including both claims notified and claims not reported for each successive accident year at each reporting date, together with cumulative payments to date.

In general, the uncertainty associated with the ultimate cost of settling claims is greatest when the claim is at an early stage of development. As claims develop, the ultimate cost of claims becomes more certain.

The Company aims to maintain adequate reserves in respect of its insurance business in order to protect against adverse future claims experience and developments. Claims triangulation analysis is by accident years, spanning a number of financial years.

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**30. Risk management** (continued)

**30.1 Insurance risk** (continued)

<b>2025</b>		<b>2020 &amp; earlier</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>Total</b>
<b>Accident year</b>								
<b>Undiscounted liabilities for incurred claims, gross of reinsurance:</b>								
At end of accident year		3,180,703,026	640,483,774	406,072,624	421,594,970	560,372,367	804,985,045	-
1 year later		3,738,013,298	596,841,850	442,318,418	362,257,170	564,772,225	-	-
2 years later		4,709,457,092	627,962,126	376,468,926	355,012,167	-	-	-
3 years later		4,860,580,986	518,359,745	379,195,476	-	-	-	-
4 years later		4,703,359,568	523,322,753	-	-	-	-	-
5 years later		4,710,196,310	-	-	-	-	-	-
6 years later		-	-	-	-	-	-	-
<b>Gross estimates of the undiscounted amount of the claims</b>		<b>4,710,196,310</b>	<b>523,322,753</b>	<b>379,195,476</b>	<b>355,012,167</b>	<b>564,772,225</b>	<b>804,985,045</b>	<b>7,337,483,976</b>
<b>Cumulative gross claims and other directly attributable expenses paid</b>		<b>(4,702,685,647)</b>	<b>(519,948,367)</b>	<b>(371,324,959)</b>	<b>(345,902,622)</b>	<b>(523,703,456)</b>	<b>(595,495,091)</b>	<b>(7,059,060,142)</b>
<b>Gross undiscounted liabilities for incurred claims</b>		<b>7,510,663</b>	<b>3,374,386</b>	<b>7,870,517</b>	<b>9,109,545</b>	<b>41,068,769</b>	<b>209,489,954</b>	<b>278,423,834</b>
Effect of discounting		-	-	-	-	-	-	(9,604,352)
Effect of surplus distribution payable		-	-	-	-	-	-	11,924,139
Effects of Claims Payables		-	-	-	-	-	-	104,106,215
<b>Gross discounted liabilities for incurred claims excluding risk adjustment</b>		-	-	-	-	-	-	<b>384,849,836</b>
Effect of the risk adjustment margin for non-financial risk		-	-	-	-	-	-	9,812,815
<b>Gross liabilities for incurred claims</b>		-	-	-	-	-	-	<b>394,662,651</b>
<b>2024</b>								
<b>Accident year</b>								
<b>Undiscounted liabilities for incurred claims, gross of reinsurance:</b>								
At end of accident year		2,608,796,547	571,906,479	640,483,774	406,072,624	421,594,970	560,372,367	-
1 year later		3,106,126,809	573,566,458	596,841,850	442,318,418	362,257,170	-	-
2 years later		3,164,446,840	563,588,212	627,962,126	376,468,926	-	-	-
3 years later		4,245,868,880	586,797,607	518,359,745	-	-	-	-
4 years later		4,273,783,379	436,590,330	-	-	-	-	-
5 years later		4,036,856,638	-	-	-	-	-	-
6 years later		-	-	-	-	-	-	-
<b>Gross estimates of the undiscounted amount of the claims</b>		<b>4,036,856,638</b>	<b>436,590,330</b>	<b>518,359,745</b>	<b>376,468,926</b>	<b>362,257,170</b>	<b>560,372,367</b>	<b>2,608,212,138</b>
<b>Cumulative gross claims and other directly attributable expenses paid</b>		<b>(4,024,728,804)</b>	<b>(435,419,447)</b>	<b>(515,921,099)</b>	<b>(365,514,174)</b>	<b>(330,996,177)</b>	<b>(398,448,364)</b>	<b>(6,071,028,065)</b>
<b>Gross undiscounted liabilities for incurred claims</b>		<b>12,127,834</b>	<b>1,170,883</b>	<b>2,438,646</b>	<b>10,954,752</b>	<b>31,260,993</b>	<b>161,924,003</b>	<b>219,877,111</b>
Effect of discounting		-	-	-	-	-	-	(7,651,227)
Effect of surplus distribution payable		-	-	-	-	-	-	17,674,488
Effects of Claims Payables		-	-	-	-	-	-	58,865,745
<b>Gross discounted liabilities for incurred claims excluding risk adjustment</b>		-	-	-	-	-	-	<b>288,766,117</b>
Effect of the risk adjustment margin for non-financial risk		-	-	-	-	-	-	7,467,962
<b>Gross liabilities for incurred claims</b>		-	-	-	-	-	-	<b>296,234,079</b>

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**30. Risk management** (continued)

**30.1 Insurance risk** (continued)

<b>2025</b> Accident year	<b>2020 &amp; earlier</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>Total</b>
<b>Undiscounted liabilities for incurred claims, net of reinsurance:</b>							
At end of accident year	2,123,343,066	549,947,505	338,915,117	359,969,716	529,876,965	763,371,252	-
1 year later	2,385,235,058	513,250,085	349,155,072	332,767,078	529,162,145	-	-
2 years later	3,427,627,688	515,378,028	319,672,921	330,151,863	-	-	-
3 years later	3,434,831,186	464,953,097	322,292,320	-	-	-	-
4 years later	3,073,781,526	467,620,648	-	-	-	-	-
5 years later	3,206,565,690	-	-	-	-	-	-
6 years later	-	-	-	-	-	-	-
<b>Net estimates of the undiscounted amount of the claims</b>	<b>3,206,565,690</b>	<b>467,620,648</b>	<b>322,292,320</b>	<b>330,151,863</b>	<b>529,162,145</b>	<b>763,371,252</b>	<b>5,619,163,918</b>
<b>Cumulative net claims and other directly attributable expenses paid</b>	<b>(3,209,473,892)</b>	<b>(467,221,856)</b>	<b>(318,808,800)</b>	<b>(323,926,820)</b>	<b>(506,750,908)</b>	<b>(590,457,727)</b>	<b>(5,416,640,003)</b>
<b>Net undiscounted liabilities for incurred claims</b>	<b>(2,908,202)</b>	<b>398,792</b>	<b>3,483,520</b>	<b>6,225,043</b>	<b>22,411,237</b>	<b>172,913,525</b>	<b>202,523,915</b>
Effect of discounting	-	-	-	-	-	-	(5,776,906)
Effect of surplus distribution payable	-	-	-	-	-	-	11,924,139
Effects of Claims Payables	-	-	-	-	-	-	79,704,998
<b>Net discounted liabilities for incurred claims excluding risk adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>288,376,146</b>
Effect of the risk adjustment margin for non-financial risk	-	-	-	-	-	-	6,239,929
<b>Net liabilities for incurred claims</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>294,616,075</b>
<b>2024</b> Accident year	<b>2019 &amp; earlier</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>Total</b>
<b>Undiscounted liabilities for incurred claims, net of reinsurance:</b>							
At end of accident year	1,618,514,168	504,828,898	549,947,505	338,915,117	359,969,716	529,876,965	-
1 year later	1,793,705,861	509,542,555	513,250,085	349,155,072	332,767,078	-	-
2 years later	1,875,692,503	501,592,680	515,378,028	319,672,921	-	-	-
3 years later	2,926,035,008	506,568,810	464,953,097	-	-	-	-
4 years later	2,928,262,376	397,459,081	-	-	-	-	-
5 years later	2,676,322,446	-	-	-	-	-	-
6 years later	-	-	-	-	-	-	-
<b>Net estimates of the undiscounted amount of the claims</b>	<b>2,676,322,446</b>	<b>397,459,081</b>	<b>464,953,097</b>	<b>319,672,921</b>	<b>332,767,078</b>	<b>529,876,965</b>	<b>4,721,051,588</b>
<b>Cumulative Net claims and other directly attributable expenses paid</b>	<b>(2,667,497,068)</b>	<b>(396,847,995)</b>	<b>(463,470,263)</b>	<b>(313,684,426)</b>	<b>(310,115,899)</b>	<b>(386,743,036)</b>	<b>(4,538,358,687)</b>
<b>Net undiscounted liabilities for incurred claims</b>	<b>8,825,378</b>	<b>611,086</b>	<b>1,482,834</b>	<b>5,988,495</b>	<b>22,651,179</b>	<b>143,133,929</b>	<b>182,692,901</b>
Effect of discounting	-	-	-	-	-	-	(5,879,127)
Effect of surplus distribution payable	-	-	-	-	-	-	17,674,488
Effects of Claims Payables	-	-	-	-	-	-	30,769,599
<b>Net discounted liabilities for incurred claims excluding risk adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>225,257,861</b>
Effect of the risk adjustment margin for non-financial risk	-	-	-	-	-	-	5,790,407
<b>Net liabilities for incurred claims</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>231,048,268</b>

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**30. Risk management** (continued)

**30.1 Insurance risk** (continued)

The reconciliation of the net liabilities for incurred claims with the aggregate carrying amounts of the groups of insurance contracts and reinsurance contracts is presented below:

<b>31 December 2025</b>	<b>Estimates of present value of FCF</b>	<b>Risk adjustment for non- financial risk</b>	<b>Total</b>
Gross liabilities for incurred claims	384,849,836	9,812,815	394,662,651
Amounts recoverable from reinsurers	(90,807,173)	(3,572,886)	(94,380,059)
<b>Net liabilities for incurred claims</b>	<b>294,042,663</b>	<b>6,239,929</b>	<b>300,282,592</b>
<b>31 December 2024</b>	<b>Estimates of present value of FCF</b>	<b>Risk adjustment for non- financial risk</b>	<b>Total</b>
Gross liabilities for incurred claims	288,766,117	7,467,962	296,234,079
Amounts recoverable from reinsurers	(59,124,461)	(1,677,555)	(60,802,016)
<b>Net liabilities for incurred claims</b>	<b>229,641,656</b>	<b>5,790,407</b>	<b>235,432,063</b>

**30.2 Financial risk**

The Company's principal financial assets and liabilities are cash and cash equivalents, term deposits, premiums and insurance balances receivable – net (forming part of insurance contract liabilities), investments, accrued income on statutory deposit, reinsurer's share of outstanding claims, reinsurers' share of claims incurred but not reported and other assets (included in prepaid expenses and other assets). The Company's principal financial liabilities are reinsurance balances payable (forming part of reinsurance contract assets), outstanding claims (forming part of insurance contract liabilities), claims incurred but not reported (forming part of insurance contract liabilities), accrued and other liabilities, accounts payable, dividend payable and amounts due to a related party.

The main risks arising from the Company's financial instruments are market risks (including commission rate risk, price risk and currency risk), credit risk, liquidity risk and, which are summarised below:

**30.2.1 Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

- The Company's market risk policy sets out the assessment and determination of what constitutes market risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company risk committee. The policy is reviewed regularly for pertinence and for changes in the risk environment.

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**30. Risk management** (continued)

**30.2 Financial risk** (continued)

**30.2.1 Market risk** (continued)

The market risk policy is predominantly based on the three types of risks.

- (i) The currency risk is not required to be managed as Saudi Riyal is pegged to the United States Dollar and the transactions are processed in the local currency.
- (ix) The commission rate risk is managed by considering diversification of portfolio with having mix of fixed and floating rate instruments to offset the impact of interest rate changes on the overall portfolio. Further, the regular review is performed to monitor the trend and adjust the mix of investment.
- (x) The price risk is managed by diversifying the investment portfolio across different industries with ongoing monitoring of trends.

The Board of Directors of the Company ensure that the overall market risk exposure is maintained at prudent levels and is consistent with the available capital. While the Board of Directors gives a strategic direction and goals, risk management function related to market risk is mainly the responsibility of Investment Committee team. The team prepares forecasts showing the effects of various possible changes in market conditions related to risk exposures. This risk is being mitigated through the proper selection of securities. Company maintains diversified portfolio and performs regular monitoring of developments in related markets. In addition, the key factors that affect stock and sukuk market movements are monitored, including analysis of the operational and financial performance of investees.

*a) Currency risk*

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Company is subject to fluctuations in foreign exchange rates in the normal course of its business. The Company did not undertake significant transactions in currencies other than Saudi Riyals and United States Dollars, during the year. As the Saudi Riyal is pegged to the United States Dollar, balances in United States Dollars are not considered to represent significant currency risk.

*b) Commission rate risk*

Commission rate risk is the risk that the value or future cash flows of a financial instrument will change because of change in market commission rates.

The Company invests in securities and has deposits that are subject to commission rate risk. Commission rate risk to the Company is the risk of changes in commission rates reducing the overall return on its fixed commission rate bearing securities. The commission rate risk is limited by monitoring changes in commission rates and by investing in floating rate instruments.

Floating rate instruments expose the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value commission rate risk.

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**30. Risk management** (continued)

**30.2 Financial risk** (continued)

**30.2.1 Market risk** (continued)

*b) Commission rate risk* (continued)

There is no direct contractual relationship between financial assets and insurance and reinsurance contracts. However, the Company's interest rate risk policy requires it to manage the extent of net commission rate risk by maintaining an appropriate mix of fixed and variable rate instruments to support the insurance contract liabilities.

The Company is exposed to commission rate risk through its debt instruments held, deposits and in respect of liabilities or assets for incurred claims where cash flows are not expected to be settled within a year from when claims are incurred.

The Company's exposure to commission rate risk sensitive insurance and reinsurance contracts, deposits and debt instruments are, as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>Insurance contract liabilities, net</b>	<b>394,662,651</b>	296,234,079
<b>Reinsurance contract assets, net</b>	<b>94,380,059</b>	60,802,016
<b>Debt instruments at amortised cost</b>	<b>210,896,651</b>	175,996,001
<b>Debt instruments at FVTPL</b>	<b>18,941,025</b>	138,396,972
<b>Cash and cash equivalents</b>	-	22,000,000
<b>Term deposits</b>	<b>304,123,175</b>	400,168,421

The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on loss/ profit before tax. The correlation of variables will have a significant effect in determining the ultimate impact of commission rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non-linear.

	<b>Changes in commission rate</b>	<b>31 December 2025 Impact on loss before zakat and income tax</b>	<b>31 December 2024 Impact on profit before zakat and income tax</b>
Insurance contract liabilities, net	+/-5%	<b>14,411,832</b>	10,993,855
Reinsurance contract assets, net	+/-5%	<b>3,973,640</b>	1,836,927
Debt instruments at amortised cost	+/-5%	<b>315,729</b>	279,915
Debt instruments at FVTPL	+/-5%	<b>128,419</b>	129,058
Cash and cash equivalents	+/-5%	<b>6,735</b>	16,041
Term deposits	+/-5%	<b>1,099,098</b>	1,133,828

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**30. Risk management** (continued)

**30.2 Financial risk** (continued)

**30.2.1 Market risk** (continued)

*c) Price risk*

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from commission rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Company's price risk exposure relates to financial instruments whose values will fluctuate as a result of changes in market prices. The Company does not issue any participating contracts. Therefore, there are no insurance or reinsurance contracts which are exposed to price risk. The Company's investments amounting to Saudi Riyals 284.1 million (2024: Saudi Riyals 260.5 million) are susceptible to market price risk arising from uncertainty about the future value of invested securities, which are principally listed securities. The Company limits this nature of market risk by diversifying its invested portfolio and by actively monitoring the developments in markets.

The impact of a hypothetical change of a 5% increase and a decrease in the market prices of investments on company's profit would be as follows:

	<b>Fair value change</b>	<b>Impact on loss/ profit before zakat and income tax</b>
<b>31 December 2025</b>	+/- 5%	<b>14,204,899</b>
<b>31 December 2024</b>	+/- 5%	<b>13,032,232</b>

The sensitivity analysis presented is based upon the portfolio position as at 31 December 2025 and 2024. Accordingly, the sensitivity analysis prepared is not necessarily indicative of the effect on the Company's assets of future movements in the value of investments held by the Company.

**30.3 Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. For all classes of financial instruments held by the Company, the maximum credit risk exposure to the Company is the carrying value as disclosed in the statement of financial position.

The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

The Company only enters into insurance and reinsurance contracts with recognised, credit worthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivables from insurance and reinsurance contracts are monitored on an ongoing basis in order to reduce the Company's exposure to bad debts.

The Company seeks to limit credit risk with respect to agents and brokers by setting credit limits for individual agents and brokers and monitoring outstanding receivables.

The Company's investment portfolio is managed by the investment committee in accordance with the investment policy established by the investment committee, which is approved by the Board of Directors. The policy sets out the limits of investments in different categories.

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**30. Risk management** (continued)

**30.3 Credit risk** (continued)

The table below shows the maximum exposure to credit risk for the relevant components of the statement of financial position:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Cash and cash equivalents	<b>52,830,964</b>	53,973,519
Term deposit	<b>304,123,175</b>	400,168,421
Investments carried at FVTPL	<b>138,654,406</b>	138,396,972
Investments carried at FVOCI	<b>145,443,572</b>	122,247,674
Investments carried at amortised cost	<b>210,896,651</b>	175,996,001
Other receivables (included in prepaid expenses and other assets)	<b>3,023,616</b>	5,966,301
Reinsurance contract assets	<b>77,408,578</b>	61,691,142
Accrued income on statutory deposit	<b>557,241</b>	1,819,113
Statutory deposits	<b>68,836,547</b>	68,838,456
<b>Total</b>	<b>1,001,774,750</b>	1,029,097,599

**Concentration of credit risk**

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. Approximately all of the Company's underwriting activities are carried out in Saudi Arabia.

The Company's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

The table below provides information regarding the credit risk exposure of the Company by classifying assets according to the Company's credit rating of counterparties. Investment grade ratings refers to companies with sound credit standing of AAA to BBB- (as per S&P and Fitch) and/or Aaa to Baa3 (as per Moody's). Ratings below the mentioned threshold are considered speculative grade with a higher default risk.

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**30. Risk management** (continued)

**30.3 Credit risk** (continued)

<b>31 December 2025</b>	<b>Investment grade</b>	<b>Non-investment grade</b>		<b>Total</b>
		<b>Not impaired</b>	<b>Impaired</b>	
Cash and cash equivalent	<b>52,830,964</b>	-	-	<b>52,830,964</b>
Term deposits	<b>304,123,175</b>	-	-	<b>304,123,175</b>
Investments carried at FVTPL	<b>138,654,406</b>	-	-	<b>138,654,406</b>
Investments carried at FVOCI	-	<b>145,443,572</b>	-	<b>145,443,572</b>
Investments carried at amortised cost	<b>210,896,651</b>	-	-	<b>210,896,651</b>
Other receivable (included in Prepaid expenses and other assets)	-	<b>3,023,616</b>	-	<b>3,023,616</b>
Reinsurance contract assets	-	<b>77,408,578</b>	-	<b>77,408,578</b>
Accrued income on statutory deposit	<b>557,241</b>	-	-	<b>557,241</b>
Statutory deposits	<b>68,836,547</b>	-	-	<b>68,836,547</b>
	<b>775,898,984</b>	<b>225,875,766</b>	-	<b>1,001,774,750</b>

<b>31 December 2024</b>	<b>Investment grade</b>	<b>Non-investment grade</b>		<b>Total</b>
		<b>Not impaired</b>	<b>Impaired</b>	
Cash and cash equivalent	53,973,519	-	-	53,973,519
Term deposits	400,168,421	-	-	400,168,421
Investments carried at FVTPL	138,396,972	-	-	138,396,972
Investments carried at FVOCI	-	122,247,674	-	122,247,674
Investments carried at amortised cost	175,996,001	-	-	175,996,001
Other receivable (included in Prepaid expenses and other assets)	-	5,966,301	-	5,966,301
Reinsurance contract assets	-	61,691,142	-	61,691,142
Accrued income on statutory deposit	1,819,113	-	-	1,819,113
Statutory deposits	68,838,456	-	-	68,838,456
	<b>839,192,482</b>	<b>189,905,117</b>	-	<b>1,029,097,599</b>

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**30. Risk management** (continued)

**30.3 Credit risk** (continued)

The gross carrying amount of time deposits, term deposits, investments and statutory deposits represent the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1. The Company's exposures to credit risk are not collateralized. At 31 December 2025 and 31 December 2024 the ECL allowance on such financial assets has been recorded and disclosed in Note 6,7,8 and 14 respectively.

Premiums receivable balances have been classified under insurance contract liabilities and the reinsurers' receivable balances and reinsurers' share of outstanding claims and claims incurred but not reported have been classified under reinsurance contract assets, as rights and obligations under insurance contracts are accounted for under IFRS 17 because the policyholder transfers significant insurance risk to the insurer rather than financial risk, which are in the scope of IFRS 17 for impairment.

Exposures to individual policyholders and groups of policyholders are managed through the ongoing monitoring by the credit recovery manager. Where there exists significant exposure, a financial analysis is carried out by the credit control department.

The Company applies the three-stage model for impairment of financial assets measured at amortised cost and FVOCI, based on changes in credit quality since initial recognition. Also see Note 3.4 (iii) for further details regarding impairment.

The Company uses "low credit risk" practical expedient for the cash and cash equivalents, term deposits and statutory deposits with the assumption that the credit risk on such financial instruments has not increased significantly since initial recognition, and therefore the ECL is estimated at an amount equal to the expected credit losses for a period of 12 months.

Other financial assets at amortised cost include other receivables. These instruments are considered to be low credit risk since they have a low risk of default and the issuers have a strong capacity to meet their contractual cash flow obligations in the near term. At 31 December 2025 and 2024, the ECL allowance on other financial assets was immaterial.

**30.4 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet obligations and commitments associated with financial liabilities. The Company has a proper cash management system, where daily cash collections and payments are strictly monitored and reconciled on regular basis. The Company manages liquidity risk by maintaining maturities of financial assets and financial liabilities and investing in liquid financial assets. Further, the Company manages liquidity risk as follows:

- The Company's liquidity risk policy which sets out the assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.
- Contingency funding plans are in place, which specify minimum proportions of funds to meet emergency calls as well as specifying events that would trigger such plans.
- The Company's catastrophe excess-of-loss reinsurance contracts contain clauses permitting the immediate draw down of funds to meet claim payments should claim events exceed a certain size.
- The company ensures the use of sound asset-liability management practices.

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**30. Risk management** (continued)

**30.4 Liquidity risk** (continued)

- The company ensures the use of a variety of techniques for funds management.

Further, the Company utilises stress testing conducted by the risk management department to identify potential liquidity shortages and address them. Stress and scenario tests are conducted to assess the anticipated financial and non-financial repercussions of adverse circumstances and events occurring within the relevant time horizon. Stress tests considers fluctuations in key financial parameters, such as interest rates, asset values, or liability values. On the other hand, scenario tests involve the causes of adverse developments, such as a significant natural catastrophe or a major industrial incident.

To assess the company's resilience to uncontrollable negative events, hypothetical scenarios or scenarios based on industry information are created. The impact of these changes is evaluated based on various factors, including return on equity, solvency margin, liquidity of the company, and the average credit rating of reinsurance counterparties.

The table below summarizes the maturities of the Company's undiscounted contractual obligations at 31 December 2025 and 2024. As the Company does not have any commission bearing liabilities, contractual cash flow of financial liabilities approximates their carrying value.

	31 December 2025				Total
	Less than one year	1 - 5 years	More than 5 years	No maturity	
Cash and cash equivalent	52,830,964	-	-	-	52,830,964
Term deposits	304,123,175	-	-	-	304,123,175
Investments carried at FVTPL	4,773,019	18,941,025	-	114,940,362	138,654,406
Investments carried at FVOCI	-	-	-	145,443,572	145,443,572
Investments carried at amortised cost	-	49,479,300	161,417,351	-	210,896,651
Other assets (included in Prepaid expenses and other assets)	3,023,616	-	-	-	3,023,616
Accrued income on statutory deposit	557,241	-	-	-	557,241
Statutory deposit	68,836,547	-	-	-	68,836,547
	<b>434,144,562</b>	<b>68,420,325</b>	<b>161,417,351</b>	<b>260,383,934</b>	<b>924,366,172</b>
	31 December 2025				
	Less than one year	1 - 5 years	More than 5 years	No maturity	Total
Accrued and other liabilities	23,202,503	-	-	-	23,202,503
Lease liabilities	3,401,048	2,643,695	-	-	6,044,743
Accrued commission income payable to Insurance Authority	557,241	-	-	-	557,241
<b>Total</b>	<b>27,160,792</b>	<b>2,643,695</b>	<b>-</b>	<b>-</b>	<b>29,804,487</b>
<b>Total liquidity gap</b>	<b>406,983,770</b>	<b>65,776,630</b>	<b>161,417,351</b>	<b>260,383,934</b>	<b>894,561,685</b>

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**30. Risk management** (continued)

**30.4 Liquidity risk** (continued)

	<b>31 December 2024</b>				<b>Total</b>
	<b>Less than one year</b>	<b>1 - 5 years</b>	<b>More than 5 years</b>	<b>No maturity</b>	
Cash and cash equivalent	53,973,519	-	-	-	53,973,519
Term deposits	342,260,088	57,908,333	-	-	400,168,421
Investments carried at FVTPL	-	36,352,901	636,751	101,407,320	138,396,972
Investments carried at FVOCI	-	-	-	122,247,674	122,247,674
Investments carried at amortised cost	4,998,856	22,998,733	147,998,412	-	175,996,001
Other assets (included in Prepaid expenses and other assets)	5,966,301	-	-	-	5,966,301
Accrued income on statutory deposit	1,819,113	-	-	-	1,819,113
Statutory deposit	68,838,456	-	-	-	68,838,456
	<b>477,856,333</b>	<b>117,259,967</b>	<b>148,635,163</b>	<b>223,654,994</b>	<b>967,406,457</b>

	<b>31 December 2024</b>				<b>Total</b>
	<b>Less than one year</b>	<b>1 - 5 years</b>	<b>More than 5 years</b>	<b>No maturity</b>	
Accrued and other liabilities	23,462,432	-	-	-	23,462,432
Lease liabilities	4,129,027	4,493,486	-	-	8,622,513
Accrued commission income payable to Insurance Authority	1,819,113	-	-	-	1,819,113
<b>Total</b>	<b>29,410,572</b>	<b>4,493,486</b>	<b>-</b>	<b>-</b>	<b>33,904,058</b>
<b>Total liquidity gap</b>	<b>448,445,761</b>	<b>112,766,481</b>	<b>148,635,163</b>	<b>223,654,994</b>	<b>933,502,399</b>

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**30. Risk management** (continued)

**30.4 Liquidity risk** (continued)

For the purpose of the financial assets, non-financial assets amounting to Saudi Riyals 3.0 million (2024: Saudi Riyals 9.1 million) have been excluded from prepaid expenses.

<b>Insurance contracts issued</b>	<b>Up to 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-5 years</b>	<b>More than 5 years</b>
Medical	150,300,366	8,547,465	583,582	-	-
Motor	106,686,747	9,950,651	4,643,514	497,941	914,735
General Accident & Liability	14,564,105	5,427,561	8,004,773	4,238,686	1,215,282
Engineering	3,750,297	3,542,621	1,210,213	3,521,142	361,376
Property	10,516,695	4,387,319	1,433,906	1,758,504	755,658
Marine	37,395,454	7,385,255	196,193	2,828,814	-
Protection	-	-	-	-	-
<b>31 December 2025</b>	<b>323,213,664</b>	<b>39,240,872</b>	<b>16,072,181</b>	<b>12,845,087</b>	<b>3,247,051</b>

<b>Reinsurance contracts held</b>	<b>Up to 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-5 years</b>	<b>More than 5 years</b>
Medical	18,666,990	297,886	20,643	-	-
Motor	5,228,391	389,656	336,931	69,810	139,313
General Accident & Liability	4,270,743	1,063,011	1,800,897	990,296	585,322
Engineering	3,996,391	2,901,377	991,154	2,883,785	295,964
Property	7,579,778	3,078,049	1,005,998	1,233,729	530,153
Marine	33,309,026	6,499,131	172,653	2,489,397	-
Protection	-	-	-	-	-
<b>31 December 2025</b>	<b>73,051,319</b>	<b>14,229,110</b>	<b>4,328,276</b>	<b>7,667,017</b>	<b>1,550,752</b>

<b>Insurance contracts issued</b>	<b>Up to 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-5 years</b>	<b>More than 5 years</b>
Medical	102,418,316	10,816,115	960,872	-	-
Motor	81,499,353	7,910,468	3,885,194	2,061,011	712,951
General Accident & Liability	24,721,849	10,347,401	7,006,785	2,107,012	77,154
Engineering	6,693,396	3,306,666	-	2,255,079	507,463
Property	5,891,053	2,041,691	667,285	818,341	351,655
Marine	19,434,201	255,894	79,633	-	-
Protection	-	-	-	-	-
<b>31 December 2024</b>	<b>240,658,168</b>	<b>34,678,235</b>	<b>12,599,769</b>	<b>7,241,443</b>	<b>1,649,223</b>

<b>Reinsurance contracts held</b>	<b>Up to 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-5 years</b>	<b>More than 5 years</b>
Medical	12,246,610	20,012	2,334	-	-
Motor	5,584,329	429,941	226,769	105,593	32,634
General Accident & Liability	9,539,450	1,461,880	199,359	440,515	31,305
Engineering	6,036,511	2,586,222	-	1,763,751	396,899
Property	3,341,266	1,527,520	499,239	612,253	263,095
Marine	17,209,337	211,912	65,946	-	-
Protection	-	-	-	-	-
<b>31 December 2024</b>	<b>53,957,503</b>	<b>6,237,487</b>	<b>993,647</b>	<b>2,922,112</b>	<b>723,933</b>

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**30. Risk management** (continued)

**30.5 Capital management risk**

The objectives are set by the Board of Directors of the Company to maintain healthy capital ratios in order to support its business objectives and maximise shareholders' value are:

- To comply with the insurance capital requirements as set out in the Law on Supervision of Cooperative Insurance Companies. The Company's current paid-up share capital is in accordance with Article 3 of the Law;
- To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk.

The Company manages its capital requirements by assessing shortfalls between reported and required capital levels on a regular basis. Adjustments to current capital levels are made in light of changes in market conditions and risk characteristics of the Company's activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue shares. In the opinion of the Board of Directors, the Company has fully complied with the regulatory capital requirements during the reported financial period. As at 31 December 2025 the Company's solvency level is higher than the minimum solvency margin required by the Implementing Regulations of the Cooperative Insurance Companies Control Law.

As per Article 66 of the IA Regulations, the Company shall maintain a solvency margin equivalent to the highest of the following three methods:

- Minimum capital requirement of Saudi Riyals 100 million;
- Premium solvency margin; or
- Claims solvency margin.

As of 31 December 2025, the Company is in compliance with the minimum solvency margin as required by the Implementing Regulations of the Cooperative Insurance Companies Control Law.

**31. Surplus distribution**

	<b>31 December 2025</b>	<b>31 December 2024</b>
1 January	<b>17,674,488</b>	24,310,416
Surplus transferred during the year	-	2,502,956
Reversal of surplus during the year	-	(9,138,802)
Surplus paid to policy holders	<b>(5,830,207)</b>	(82)
31 December	<b>11,844,281</b>	17,674,488

During the year, the Company has made a reversal of surplus distribution amounting to Nil (31 December 2024: 9.1 million) that had remained unclaimed for more than five years, in accordance with Article 35 of the Surplus Distribution Policy issued by the Insurance Authority (formerly SAMA).

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**32. Gross Written Premium (“GWP”) and Net written premium**

Details relating to GWP are disclosed below to comply with the requirements of Insurance Authority and are not calculated as per the requirements of IFRS 17.

Breakdown of GWP	31 December 2025						31 December 2024					
	Medical	Motor	Property & casualty	Protection & Savings		Total	Medical	Motor	Property & casualty	Protection & Savings		Total
				Individual	Group (Term life)					Individual	Group (Term life)	
Large corporates	335,284,478	100,560,933	101,439,752	-	-	537,285,163	302,298,341	84,316,962	85,655,610	-	-	472,270,913
Medium corporates	2,090,380	60,151,268	45,434,898	-	-	107,676,546	4,225,651	63,816,469	34,722,036	-	-	102,764,156
Small enterprises	9,909,059	31,453,316	14,558,530	-	-	55,920,905	14,135,118	28,838,711	10,114,221	-	-	53,088,050
Micro enterprises	51,339,582	10,969,100	6,230,556	-	-	68,539,238	55,506,811	29,894,720	1,844,944	-	-	87,246,475
Retail	67,070,671	143,701,259	22,831,864	-	-	233,603,794	70,616,045	163,969,747	25,593,202	-	-	260,178,994
<b>Total</b>	<b>465,694,170</b>	<b>346,835,876</b>	<b>190,495,600</b>	-	-	<b>1,003,025,646</b>	446,781,966	370,836,609	157,930,013	-	-	975,548,588

**Net written premium**

Details relating to net written premium are disclosed below to comply with the requirements of Insurance Authority and are not calculated as per the requirements of IFRS 17.

Gross written premium	31 December 2025						31 December 2024					
	Medical	Motor	Property & casualty	Protection & Savings		Total	Medical	Motor	Property & casualty	Protection & Savings		Total
				Individual	Group (Term life)					Individual	Group (Term life)	
Gross written premium	465,694,170	346,835,876	190,495,600	-	-	1,003,025,646	446,781,966	370,836,609	157,930,013	-	-	975,548,588
Reinsurance premium ceded – globally (including excess of loss)	(26,561,329)	(7,751,160)	(90,663,561)	-	-	(124,976,050)	(14,018,961)	(7,217,455)	(87,773,120)	-	-	(109,009,536)
Reinsurance premium ceded – locally (including excess of loss)	(9,892,887)	(3,321,925)	(41,058,835)	-	-	(54,273,647)	(6,254,244)	(2,405,817)	(21,312,577)	-	-	(29,972,638)
<b>Net written premium – total</b>	<b>429,239,954</b>	<b>335,762,791</b>	<b>58,773,204</b>	-	-	<b>823,775,949</b>	426,508,761	361,213,337	48,844,316	-	-	836,566,414

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**32. Gross Written Premium (“GWP”) and Net written premium (continued)**

Total insurance revenue of Saudi Riyals 1,038.2 million (2024: Saudi Riyals 804.8 million) is calculated through adjustment of Saudi Riyals 35.2 million (2024: Saudi Riyals 170.8 million) for the remaining coverage period and the expected premium receipts which reconcile to the total GWP of Saudi Riyals 1,003.0 million (2024: Saudi Riyals 975.5 million).

**33. Auditors’ remuneration**

Auditors’ remuneration for the audit and reviews of the Company’s financial statements for the year ended 31 December 2025 amounts to Saudi Riyals 1.7 million (2024: Saudi Riyals 1.7 million) and the fee for other services provided by the auditors to the Company amounts to Saudi Riyals 0.1 million (2024: Saudi Riyals 0.2 million).

**34. Subsequent event**

Subsequent to the year ended 31 December 2025, significant geopolitical developments occurred in the Gulf region from 28 February 2026 and onwards. As of the date of authorization of these financial statements, the Company has not incurred any claims related to these developments. While the situation introduces uncertainty regarding potential future claims and risk exposure, there is currently insufficient information to estimate any impact on the Company’s financial position. These are considered non-adjusting subsequent events under IAS 10 “Events after the reporting period”.

Management continues to monitor the situation closely and will provide updates and disclosures in future periods as more information becomes available.

Except as disclosed above, no other subsequent events occurred between 31 December 2025 and the date of authorisation of issue of these financial statements by the Company’s Board of Directors, which may have a material impact on these financial statements.

**35. Commitments and contingencies**

The Company’s commitments and contingencies are as follows:

- (i) As at 31 December 2025 the Company has capital commitments amounting to Saudi Riyals 21.7 million pertaining to implementation of a new software (31 December 2024: Saudi Riyals 26.1 million) and is estimated to be completed by 2028.
- (ii) The Company operates in the insurance industry and is subject to legal proceedings in the ordinary course of business primarily pertaining to insurance claims. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management believes that such proceedings (including litigations) will not have a material effect on its results and financial position.

**36. Approval of the financial statements**

These financial statements have been authorized by the Company’s Board of Directors on 21 Ramadan 1447 H corresponding to 10 March 2026.

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As required by the Insurance Authority's Implementing Regulations, the statement of financial position, statement of income and statement of cash flows are separately disclosed for both insurance operations and shareholders' operations as follows:

**Statement of financial position**

	31 December 2025			31 December 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
<b>ASSETS</b>						
Cash and cash equivalents	52,678,325	152,639	52,830,964	53,369,498	604,021	53,973,519
Term deposits	-	304,123,175	304,123,175	-	400,168,421	400,168,421
Investments:						
Financial assets at fair value through profit or loss ("FVTPL")	19,710,401	118,944,005	138,654,406	24,516,852	113,880,120	138,396,972
Financial assets at fair value through other comprehensive income ("FVOCI")	-	145,443,572	145,443,572	-	122,247,674	122,247,674
Financial assets at amortised cost	107,881,034	103,015,617	210,896,651	107,981,528	68,014,473	175,996,001
Prepaid expenses and other assets	39,030,869	8,411,309	47,442,178	42,480,980	4,553,932	47,034,912
Reinsurance contract assets	77,408,578	-	77,408,578	61,691,142	-	61,691,142
Right-of-use assets	4,839,317	-	4,839,317	7,481,026	-	7,481,026
Property and equipment	6,076,605	-	6,076,605	7,696,401	-	7,696,401
Intangible assets	32,278,282	-	32,278,282	42,936,441	-	42,936,441
Accrued income on statutory deposit	-	557,241	557,241	-	1,819,113	1,819,113
Goodwill	-	67,697,750	67,697,750	-	67,697,750	67,697,750
Statutory deposit	-	68,836,547	68,836,547	-	68,838,456	68,838,456
Due from shareholders' operations	161,126,245	-	161,126,245	105,662,104	-	105,662,104
<b>TOTAL ASSETS</b>	<b>501,029,656</b>	<b>817,181,855</b>	<b>1,318,211,511</b>	<b>453,815,972</b>	<b>847,823,960</b>	<b>1,301,639,932</b>
<b>Less: inter-operations elimination</b>	<b>(161,126,245)</b>	<b>-</b>	<b>(161,126,245)</b>	<b>(105,662,104)</b>	<b>-</b>	<b>(105,662,104)</b>
<b>TOTAL ASSETS AS PER FINANCIAL STATEMENTS</b>	<b>339,903,411</b>	<b>817,181,855</b>	<b>1,157,085,266</b>	<b>348,153,868</b>	<b>847,823,960</b>	<b>1,195,977,828</b>

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**Supplementary information** (continued)

**Statement of financial position** (continued)

	31 December 2025			31 December 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
<b>LIABILITIES</b>						
Accrued and other liabilities	22,850,043	352,460	23,202,503	20,206,519	3,255,913	23,462,432
Insurance contract liabilities	525,090,589	-	525,090,589	499,820,414	-	499,820,414
Employee benefit obligations	19,077,661	-	19,077,661	19,978,809	-	19,978,809
Lease liabilities	6,044,743	-	6,044,743	8,622,513	-	8,622,513
Zakat and income tax payable	-	14,169,897	14,169,897	-	15,575,348	15,575,348
Accrued income payable to Insurance authority	-	557,241	557,241	-	1,819,113	1,819,113
Due to insurance operations	-	161,126,245	161,126,245	-	105,662,104	105,662,104
<b>TOTAL LIABILITIES</b>	<b>573,063,036</b>	<b>176,205,843</b>	<b>749,268,879</b>	<b>548,628,255</b>	<b>126,312,478</b>	<b>674,940,733</b>
<b>Less: inter-operations elimination</b>	-	<b>(161,126,245)</b>	<b>(161,126,245)</b>	-	<b>(105,662,104)</b>	<b>(105,662,104)</b>
<b>TOTAL LIABILITIES AS PER FINANCIAL STATEMENTS</b>	<b>573,063,036</b>	<b>15,079,598</b>	<b>588,142,634</b>	<b>548,628,255</b>	<b>20,650,374</b>	<b>569,278,629</b>
	<b>Insurance operations</b>	<b>Shareholders' operations</b>	<b>Total</b>	<b>Insurance operations</b>	<b>Shareholders' operations</b>	<b>Total</b>
<b>EQUITY</b>						
Share capital	-	458,949,280	458,949,280	-	458,949,280	458,949,280
Statutory reserve	-	14,076,961	14,076,961	-	14,076,961	14,076,961
(Accumulated losses) Retained earnings	-	(46,861,637)	(46,861,637)	-	36,765,081	36,765,081
Fair value reserve	-	141,597,416	141,597,416	-	118,401,518	118,401,518
Remeasurement reserve of employee benefit obligations	1,180,612	-	1,180,612	(1,493,641)	-	(1,493,641)
<b>TOTAL EQUITY</b>	<b>1,180,612</b>	<b>567,762,020</b>	<b>568,942,632</b>	<b>(1,493,641)</b>	<b>628,192,840</b>	<b>626,699,199</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>574,243,648</b>	<b>582,841,618</b>	<b>1,157,085,266</b>	<b>547,134,614</b>	<b>648,843,214</b>	<b>1,195,977,828</b>

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**Supplementary information** (continued)

**Statement of income for the year ended**

	31 December 2025			31 December 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
<b>REVENUES</b>						
Insurance revenue	1,038,197,346	-	1,038,197,346	804,752,396	-	804,752,396
Insurance service expense*	(1,063,266,073)	-	(1,063,266,073)	(717,397,356)	-	(717,397,356)
Net expenses from reinsurance contracts	(60,689,417)	-	(60,689,417)	(56,755,033)	-	(56,755,033)
<b>Insurance service result from Company's directly written business</b>	<b>(85,758,144)</b>	<b>-</b>	<b>(85,758,144)</b>	<b>30,600,007</b>	<b>-</b>	<b>30,600,007</b>
Share of surplus from insurance pools	1,758,761	-	1,758,761	8,290,522	-	8,290,522
<b>Total insurance service result</b>	<b>(83,999,383)</b>	<b>-</b>	<b>(83,999,383)</b>	<b>38,890,529</b>	<b>-</b>	<b>38,890,529</b>
Interest income from financial assets not measured at FVTPL	3,512,702	24,918,539	28,431,241	3,258,608	25,337,060	28,595,668
Interest income from financial assets measured at FVTPL	942,885	1,625,501	2,568,386	1,756,943	824,217	2,581,160
Net credit impairment losses on financial assets	(471)	(5,482)	(5,953)	(1,499)	(4,819)	(6,318)
Net losses on financial assets measured at FVTPL	1,174,370	2,959,303	4,133,673	(3,697,321)	2,644,154	(1,053,167)
Dividend income	-	1,903,602	1,903,602	-	1,549,259	1,549,259
<b>Net investment income</b>	<b>5,629,486</b>	<b>31,401,463</b>	<b>37,030,949</b>	<b>1,316,731</b>	<b>30,349,871</b>	<b>31,666,602</b>
Finance (expense) income from insurance contracts issued	(1,217,238)	-	(1,217,238)	764,491	-	764,491
Finance expense from reinsurance contracts held	(2,070,489)	-	(2,070,489)	(352,156)	-	(352,156)
<b>Net insurance finance income</b>	<b>(3,287,727)</b>	<b>-</b>	<b>(3,287,727)</b>	<b>412,335</b>	<b>-</b>	<b>412,335</b>
<b>Net insurance and investment result</b>	<b>(81,657,624)</b>	<b>31,401,463</b>	<b>(50,256,161)</b>	<b>40,619,595</b>	<b>30,349,871</b>	<b>70,969,466</b>
Finance cost	(441,318)	-	(441,318)	(432,741)	-	(432,741)
Other operating expenses	(22,129,239)	-	(22,129,239)	(18,985,080)	-	(18,985,080)
<b>Net (deficit) surplus from operations</b>	<b>(104,228,181)</b>	<b>31,401,463</b>	<b>(72,826,718)</b>	<b>21,201,774</b>	<b>30,349,871</b>	<b>51,551,645</b>
<b>(Deficit) Surplus transfer to shareholders</b>	<b>104,228,181</b>	<b>(104,228,181)</b>	<b>-</b>	<b>(21,201,774)</b>	<b>21,201,774</b>	<b>-</b>
<b>Total (loss) profit for the year before zakat and income tax</b>	<b>-</b>	<b>(72,826,718)</b>	<b>(72,826,718)</b>	<b>-</b>	<b>51,551,645</b>	<b>51,551,645</b>

\* This includes surplus distribution amounting to Nil for the year ended 31 December 2025 (2024: Saudi Riyals 2.5 million).

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**Supplementary information** (continued)

**Statement of income for the year ended** (continued)

	31 December 2025			31 December 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Zakat expense	-	(10,800,000)	(10,800,000)	-	(7,478,778)	(7,478,778)
Income tax	-	-	-	-	(427,351)	(427,351)
<b>NET (LOSS) PROFIT FOR THE YEAR</b> <b>ATTRIBUTABLE TO THE</b> <b>SHAREHOLDERS</b>	-	<b>(83,626,718)</b>	<b>(83,626,718)</b>	-	43,645,516	43,645,516
<b>(Losses) earnings per share (expressed in</b> <b>Saudi Riyals per share)</b>						
Basic (losses) earnings per share			<u>(1.82)</u>			<u>0.95</u>
Diluted (losses) earnings per share			<u>(1.82)</u>			<u>0.95</u>

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**Statement of comprehensive income for the year ended**

	31 December 2025			31 December 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
<b>NET (LOSS) PROFIT FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS</b>	-	<b>(83,626,718)</b>	<b>(83,626,718)</b>	-	43,645,516	43,645,516
<b>Other comprehensive income</b>						
<i>Items that will not be reclassified to the statement of income in subsequent years</i>						
Remeasurement gain (loss) on employee benefit obligations	<b>2,674,253</b>	-	<b>2,674,253</b>	(217,311)	-	(217,311)
Net change in fair value of FVOCI investments	-	<b>23,195,898</b>	<b>23,195,898</b>	-	35,279,169	35,279,169
<b>Total other comprehensive income</b>	<b>2,674,253</b>	<b>23,195,898</b>	<b>25,870,151</b>	(217,311)	35,279,169	35,061,858
<b>TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS</b>	<b>2,674,253</b>	<b>(60,430,820)</b>	<b>(57,756,567)</b>	(217,311)	78,924,685	78,707,374

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**Statement of cash flows for the year ended**

CASH FLOWS FROM OPERATING ACTIVITIES	31 December 2025			31 December 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Total (loss) profit for the year before zakat and income tax	-	(72,826,718)	(72,826,718)	-	51,551,645	51,551,645
Adjustments for non-cash items:						
Depreciation of property and equipment	2,086,158	-	2,086,158	2,727,416	-	2,727,416
Amortisation of intangible assets	13,612,723	-	13,612,723	12,326,979	-	12,326,979
Depreciation for right-of-use assets	4,033,684	-	4,033,684	3,223,173	-	3,223,173
Finance costs	1,384,383	-	1,384,383	1,241,401	-	1,241,401
Interest income from financial assets not measured at FVTPL	(3,512,702)	(24,918,539)	(28,431,241)	(3,258,608)	(25,337,060)	(28,595,668)
Interest income from financial assets measured at FVTPL	(942,885)	(1,625,501)	(2,568,386)	(1,756,943)	(824,217)	(2,581,160)
Net credit impairment losses on financial assets	471	5,482	5,953	1,499	4,819	6,318
Net gains on financial assets measured at FVTPL	(1,174,370)	(2,959,303)	(4,133,673)	3,697,321	(2,644,154)	1,053,167
Dividend income	-	(1,903,602)	(1,903,602)	-	(1,549,259)	(1,549,259)
Provision for employees benefit obligations	3,456,178	-	3,456,178	3,389,786	-	3,389,786
Loss on remeasurement of lease liabilities	-	-	-	114,190	-	114,190
<b>Changes in operating assets and liabilities:</b>						
Prepaid expenses and other assets	3,450,112	(1,772,546)	1,677,566	(14,039,938)	2,542,701	(11,497,237)
Changes in reinsurance contract assets	(15,717,436)	-	(15,717,436)	(11,328,417)	-	(11,328,417)
Accrued income on statutory deposit	-	1,261,872	1,261,872	-	1,414,092	1,414,092
Accrued and other liabilities	2,643,524	(2,903,453)	(259,929)	535,973	2,057,446	2,593,419
Changes in insurance contract liabilities	25,270,175	-	25,270,175	62,464,424	-	62,464,424
Accrued income payable to Insurance Authority	-	(1,261,872)	(1,261,872)	-	(1,414,092)	(1,414,092)
<b>Cash inflow (outflow) from operations</b>	<b>34,590,015</b>	<b>(108,904,180)</b>	<b>(74,314,165)</b>	<b>59,338,256</b>	<b>25,801,921</b>	<b>85,140,177</b>
Employee benefit obligations paid	(2,626,138)	-	(2,626,138)	(4,156,649)	-	(4,156,649)
Zakat and income tax paid	-	(12,205,451)	(12,205,451)	-	(16,125,833)	(16,125,833)
<b>Net cash inflow (outflow) from operating activities</b>	<b>31,963,877</b>	<b>(121,109,631)</b>	<b>(89,145,754)</b>	<b>55,181,607</b>	<b>9,676,088</b>	<b>64,857,695</b>

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

**Supplementary information** (continued)

**Statement of cash flows for the year ended 31 December** (continued)

	31 December 2025			31 December 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Redemption (placement) of term deposits, net	-	118,027,205	118,027,205	-	(34,740,817)	(34,740,817)
Payments for purchases of financial assets at FVTPL	-	(23,133,455)	(23,133,455)	-	(5,039,811)	(5,039,811)
Payments for purchases of financial assets at FVTPL	-	(40,000,000)	(40,000,000)	(5,000,000)	(17,000,000)	(22,000,000)
Proceeds from sale of investments held at FVTPL	27,009,694	-	27,009,694	734,639	-	734,639
Proceeds from sale of investments held at amortised cost	-	5,000,000	5,000,000	-	2,000,000	2,000,000
Interest income received from financial assets not measured at FVTPL	3,448,202	2,866,386	6,314,588	3,128,263	2,540,589	5,668,852
Interest income received from financial assets measured at FVTPL	183,184	2,433,972	2,617,156	1,884,443	3,834,628	5,719,071
Payments for purchases of property and equipment	(466,362)	-	(466,362)	(2,003,256)	-	(2,003,256)
Payments for purchases of intangible assets	(2,954,564)	-	(2,954,564)	(12,856,209)	-	(12,856,209)
<b>Net cash inflow (outflow) from investing activities</b>	<b>27,220,154</b>	<b>65,194,108</b>	<b>92,414,262</b>	<b>(14,112,120)</b>	<b>(48,405,411)</b>	<b>(62,517,531)</b>
<b>CASH FLOWS FROM FINANCING FLOWS FROM INVESTING ACTIVITIES</b>						
Principal elements of lease payments	(3,969,745)	-	(3,969,745)	(3,048,380)	-	(3,048,380)
Finance costs paid on lease liabilities	(441,318)	-	(441,318)	(432,741)	-	(432,741)
Due to insurance operations	(55,464,141)	55,464,141	-	1,281,196	(1,281,196)	-
<b>Net cash outflow (inflow) from financing activities</b>	<b>(59,875,204)</b>	<b>55,464,141</b>	<b>(4,411,063)</b>	<b>(2,199,925)</b>	<b>(1,281,196)</b>	<b>(3,481,121)</b>
<b>Net change in cash and cash equivalents</b>	<b>(691,173)</b>	<b>(451,382)</b>	<b>(1,142,555)</b>	<b>38,869,562</b>	<b>(40,010,519)</b>	<b>(1,140,957)</b>
Cash and cash equivalents at the beginning of the year	53,369,498	604,021	53,973,519	14,499,936	40,614,540	55,114,476
<b>Cash and cash equivalents at end of the year</b>	<b>52,678,325</b>	<b>152,639</b>	<b>52,830,964</b>	<b>53,369,498</b>	<b>604,021</b>	<b>53,973,519</b>
<b>Supplemental non-cash information:</b>						
Net changes in fair value of investment measured at FVOCI	-	23,195,898	23,195,898	-	35,279,169	35,279,169
Remeasurement gain (loss) on employee benefit obligations	2,674,253	-	2,674,253	(217,311)	-	(217,311)
Additions of right-of-use assets	-	-	-	948,236	-	948,236
Modification of right-of-use asset	1,391,975	-	1,391,975	(59,951)	-	(59,951)
Termination of right-of-use assets	(578,403)	-	(578,403)	(931,122)	-	(931,122)

## Agenda Item # 4

4- Voting on the discharging the Board members from any liabilities for the fiscal year ending on 31 /12/ 2025 G.

## BOD Members List

### For Item of discharging the Board members from any liabilities for the fiscal year ended on 31 December 2025.

#### Board Members in the Previous BOD Term – Ended 16/12/2025

Nationality	Membership type	Position	Name	Sr.
Saudi	Non - Executive	Chairman	Abdulaziz Ali Al-Turki	1
Saudi	Independent	Vice Chairman	Zaid Abdullah Al Yaesh	2
Canadian	Executive	Member	Munir Hashem Al-Borno	3
Saudi	Independent	Member	Ahmed Sulaiman Al Muzaini	4
Saudi	Non - Executive	Member	Majid Shatti Al Dhafiri	5
Saudi	Independent	Member	Abdullah Abdulwahab	6
Saudi	Independent	Member	Mohammed Abdulrahman Al Katheer	7

#### Board Members in the Current BOD Term – Started 17/12/2025

Nationality	Membership type	Position	Name	Sr.
Saudi	Non - Executive	Chairman	Abdulaziz Ali Al-Turki	1
Saudi	Independent	Vice Chairman	Mohannad Saud Al Fayes	2
Canadian	Non - Executive	Member	Munir Hashem Al-Borno	3
Saudi	Executive	Member	Mesheal Ibrahim Al Shayea	4
Saudi	Independent	Member	Ahmed Mohammed Al Salem	5
Saudi	Independent	Member	Zaid Saad Al Katheiry	6
French	Independent	Member – Membership ended Feb. 2026	Karim Mohammed Bachite	7

## Gulf Union Al Ahlia Cooperative Insurance Co.



إتحاد الخليج الأهلية للتأمين التعاوني  
GULF UNION AL AHLIA COOPERATIVE INSURANCE

# Thank You

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