

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED FINANCIAL INFORMATION  
AND INDEPENDENT AUDITORS' REVIEW REPORT  
(UNAUDITED)**

**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**

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**INTERIM CONDENSED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

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## INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL INFORMATION

**TO THE SHAREHOLDERS OF  
SAUDI ENAYA COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
KINGDOM OF SAUDI ARABIA**

### INTRODUCTION

We have reviewed the accompanying interim condensed statement of financial position of Saudi Enaya Cooperative Insurance Company (A Saudi Joint Stock Company) ("the Company") as of 31 March 2026 and the related interim condensed statements of income and comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Accounting Standard 34 – "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

### SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of interim financial information performed by the independent auditor of the entity", as endorsed in the Kingdom of Saudi Arabia. A review of interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 4 in the interim condensed financial information, which describes that the Company has accumulated losses of SAR 75.24 million as at 31 March 2026 which represents 32.7% of its share capital, and the proposed merger with Salama Cooperative Insurance Company was not approved by the Extraordinary General Assembly during the period. These events and conditions, along with the other matters set forth in note 4, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

**For El Sayed El Ayouty & Co.  
Certified Public Accountants**

P. O. Box 780  
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Kingdom of Saudi Arabia



**Abdullah Ahmed Balamesh  
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10 May 2026  
23 Dhu'l-Qi'dah 1447H

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**

**AS AT 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

	Notes	31 March 2026 (Unaudited)	31 December 2025 (Audited)
<b>ASSETS</b>			
Cash and cash equivalents	5	170,587	151,451
Investments	6	34,759	34,685
Property and equipment, net		1,438	1,588
Intangible assets, net		562	631
Right of use assets, net		1,431	1,704
Statutory deposit	7	34,500	34,500
Insurance contract assets	8	6,192	-
Accrued income on statutory deposit		198	1,651
Prepaid expenses and other assets		5,184	4,171
<b>TOTAL ASSETS</b>		<b>254,851</b>	<b>230,381</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	8	73,990	49,360
Accrued income payable to Insurance Authority		198	1,651
Accrued expenses and other liabilities		3,703	2,917
Lease liabilities		1,289	1,275
Employees' end of service benefits		5,364	5,562
Provision for zakat and income tax	9	13,720	13,066
<b>TOTAL LIABILITIES</b>		<b>98,264</b>	<b>73,831</b>
<b>EQUITY</b>			
Share capital	10	230,000	230,000
Accumulated losses		(75,247)	(75,284)
Re-measurement reserve for employees' end of service benefits – related to insurance operations		1,834	1,834
<b>TOTAL EQUITY</b>		<b>156,587</b>	<b>156,550</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>254,851</b>	<b>230,381</b>



Chairman



Acting Chief Executive Officer /  
Chief Financial Officer

The accompanying notes from 1 to 17 form an integral part of this interim condensed financial information.

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED STATEMENT OF INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**  
(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

	Notes	Three-month period ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
Insurance revenue	14	31,790	55,861
Insurance service expenses	14	(30,800)	(53,036)
<b>Insurance service result</b>	14	<b>990</b>	<b>2,825</b>
<b>Investment income</b>			
Investment income from financial assets at amortised cost		2,014	2,294
Net impairment reversal on financial assets		-	13
<b>Net investment income</b>		<b>2,014</b>	<b>2,307</b>
<b>Net insurance and investment result</b>		<b>3,004</b>	<b>5,132</b>
Other operating expenses		(2,313)	(4,514)
<b>Net income for the period before zakat and income tax attributable to shareholders</b>		<b>691</b>	<b>618</b>
Zakat	9	(653)	(100)
Income tax	9	(1)	(5)
<b>Net income for the period after zakat and income tax attributable to the shareholders</b>		<b>37</b>	<b>513</b>
<b>Earnings per share (expressed in SAR per share)</b>			
Weighted average number of ordinary shares outstanding (in thousands shares)	11	23,000	23,000
Basic and diluted earnings per share for the period (SAR / share)	11	0.0016	0.0223



Chairman



Acting Chief Executive Officer /  
Chief Financial Officer

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**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

	<b>Three-month period ended 31</b>	
	<b>2026</b>	<b>2025</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Net income for the period after zakat and income tax attributable to the shareholders</b>	<b>37</b>	<b>513</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>37</b>	<b>513</b>



Chairman



Acting Chief Executive Officer /  
Chief Financial Officer

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**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**

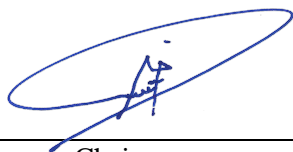
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**

**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

	<u>Share capital</u>	<u>Accumulated losses</u>	<u>Re-measurement reserve for employees' end of service benefits – related to insurance operations</u>	<u>Total equity</u>
<b>Balance as at 31 December 2025 (Audited)</b>	<b>230,000</b>	<b>(75,284)</b>	<b>1,834</b>	<b>156,550</b>
Net income for the period after zakat and income tax attributable to the shareholders	-	37	-	37
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	37	-	37
<b>Balance as at 31 March 2026 (Unaudited)</b>	<b>230,000</b>	<b>(75,247)</b>	<b>1,834</b>	<b>156,587</b>
Balance as at 31 December 2024 (Audited)	230,000	(68,585)	2,499	163,914
Net income for the period after zakat and income tax attributable to the shareholders	-	513	-	513
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	513	-	513
Balance as at 31 March 2025 (Unaudited)	230,000	(68,072)	2,499	164,427



Chairman



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**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

	Notes	Three- month period ended	
		2026	2025
		(Unaudited)	(Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period before zakat and income tax		691	618
<i>Adjustments for non-cash items:</i>			
Depreciation of property and equipment		178	227
Amortization of intangible assets		69	63
Depreciation of right of use assets		273	274
Finance cost on lease liabilities		14	26
Net impairment reversal on financial assets	6	-	(10)
Investment income from financial asset at amortized cost		(74)	-
Provision for employees' end of service benefits, net		(15)	(50)
<i>Changes in operating assets and liabilities:</i>			
Prepaid expenses and other assets		(1,013)	(3,304)
Accrued expenses and other liabilities		786	1,660
Insurance contract assets		(6,192)	-
Insurance contract liabilities		24,630	(4,428)
<b>Cash generated from / (used in) operations</b>		<b>19,347</b>	<b>(4,924)</b>
Employees' end of service benefits paid		(183)	(331)
Zakat paid	9	-	(1,457)
<b>Net cash generated from / (used in) operating activities</b>		<b>19,164</b>	<b>(6,712)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from maturity of financial assets at amortized cost	6	-	147,715
Purchase of property and equipment		(28)	(20)
<b>Net cash (used in) / generated from investing activities</b>		<b>(28)</b>	<b>147,695</b>
Net change in cash and cash equivalents		19,136	140,983
Cash and cash equivalents at the beginning of the period		151,451	78,560
<b>Cash and cash equivalents at the end of the period</b>		<b>170,587</b>	<b>219,543</b>



Chairman



Acting Chief Executive Officer /  
Chief Financial Officer

The accompanying notes from 1 to 17 form an integral part of this interim condensed financial information.

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals `000 unless otherwise stated)

**1. GENERAL**

Saudi Enaya Cooperative Insurance Company (a Saudi Joint Stock Company incorporated in Kingdom of Saudi Arabia), (the “Company”), was formed pursuant to Royal Decree No. 98/Q dated 16 Rabi Awwal 1433H (Corresponding to 8 February 2012). The Company operates under Commercial Registration no. 4030223528 dated 27 Rabi Awwal 1433H (corresponding to 19 February 2012). The registered address of the Company's head office is as follows:

Building No. 7521, Al Fakhr, Al Khalidiya District  
P.O. Box 3732, Jeddah 23423  
Kingdom of Saudi Arabia

Following is the branch of the Company:

**Branch**

Riyadh

**Commercial Registration Number:**

1010421871

The Company is licensed to conduct medical insurance business in the Kingdom of Saudi Arabia under cooperative principles in accordance with Royal Decree No. M/49 dated 27 Rajab 1432H (corresponding to 29 June 2011) pursuant to the Council of Ministers' Resolution No 224 dated 25 Rajab 1432H (corresponding to 27 June 2011). As of the date of incorporation, the Company is 77% owned by the Saudi shareholders and the general public and 23% owned by non-Saudi shareholders. The Company was listed on the Saudi Stock Exchange (Tadawul) on 27 February 2012.

On 27 Rajab 1432H (corresponding to 29 June 2011), the Law on the Supervision of Cooperative Insurance Companies (“Insurance Law”) was promulgated by Royal Decree Number (M/49). On 27 February 2012, 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. From 23 November 2023, the Insurance Authority (IA) became the authorized regulator of the insurance industry in Saudi Arabia, however, laws and regulations issued previously by SAMA related to the insurance sector will remain in effect until further instructions are issued by the IA.

**Proposed merger (terminated)**

On 26 Sha'ban 1446H (corresponding to 25 February 2025), the Company signed a non-binding Memorandum of Understanding (MoU) with Salama Cooperative Insurance Company (“Salama”), to evaluate a potential merger between Salama and the Company. On 29 May 2025, General Authority for Competition issued the non-objection on the completion of the economic concentration resulting from the Potential Merger. The Company announced the signing of a binding MoU with Salama on 20 Safar 1447H (corresponding to 14 August 2025) (the “Merger Agreement”) pursuant to which the Company will be merged into Salama and all of the Company's rights, liabilities, assets and contracts of the Company will be subsumed by Salama in exchange for Salama's issuance of 18,984,000 new ordinary shares with nominal value of SAR 10 each in Salama to the Company's shareholders pursuant to Article (225) and Articles (227) to (229) of the Companies Law, Article (49)(a)(1) of the Merger and Acquisition Regulations and in accordance with the Rules on the Offer of Securities and Continuing Obligations issued by the board of the Capital Market Authority (the “CMA”), and in accordance with the conditions and provisions of the Merger Agreement (the “Merger”).

During the period, on 15 Rajab 1447H (corresponding to 4 January 2026) shareholders of Salama announced approval of increase in the share capital through merger with the Company.

On 13 Sha'ban 1447H (corresponding to 1 February 2026), the Company announced disapproval of the offer submitted by Salama to the shareholders for the purpose of merging the Company.

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

**2. BASIS OF PREPARATION**

**(a) Statement of compliance**

The interim condensed financial information for the three-month period ended 31 March 2026 has been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") as endorsed in Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The interim condensed financial information is prepared under the going concern basis and the historical cost convention, except for the measurement of investments at their amortized cost, measurement of employees' end of service benefits which are recognized at the present value using the projected unit method credit, insurance contracts are measured at the estimated fulfilment cashflows that are expected to arise as the Company fulfills its contractual obligations in accordance with IFRS 17. The Company's interim condensed statement of financial position is not presented using a current / non-current classification.

However, the following balances would generally be classified as current: cash and cash equivalents, prepaid expenses and other assets, insurance contract assets, insurance contract liabilities, accrued expenses and other liabilities, accrued income on statutory deposit, accrued income payable to insurance authority and provision for zakat and income tax. The following balances would generally be classified as non-current: employees' end-of-service benefits, investments, statutory deposit, property and equipment, net, intangible assets, net, right of use assets, net and lease liabilities.

The interim condensed financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as of and for the year ended 31 December 2025.

**(b) Functional and presentation currency**

This interim condensed financial information has been presented in Saudi Arabian Riyals (SAR), which is also the functional currency of the Company. All financial information presented in Saudi Arabian Riyal has been rounded to the nearest thousands, except where otherwise indicated.

**(c) Critical accounting judgments, estimates and assumptions**

The preparation of interim condensed financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and the accompanying notes disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. In preparing the interim condensed financial information, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 31 December 2025.

**(d) Seasonality of operations**

Due to the seasonality of operations, operating profits are expected to fluctuate from one period to another.

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

**3. MATERIAL ACCOUNTING POLICIES**

The accounting policies, estimates and assumptions used in the preparation of these interim condensed financial information are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2025 except as mentioned below.

**a) New IFRS Standards, IFRIC interpretations and amendments thereof, adopted by the Company**

<u>Standards, amendments, interpretations</u>	<u>Description</u>	<u>Effective date</u>
Amendments to IFRS 9 and IFRS 7	Classification and measurement of Financial Instruments- Amendments to IFRS 9 and IFRS 7	01 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	01 January 2026
Annual improvements to IFRS (Volume 11)	Minor amendments to address potential areas of confusion within the following standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7).	01 January 2026

These amendments had no impact on the interim condensed financial information of the Company.

**b) Accounting standards issued but not yet effective**

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The standards, interpretations and amendments issued, but are not yet effective are disclosed below.

<u>Standards, amendments, interpretations</u>	<u>Description</u>	<u>Effective from periods beginning on or after the following date</u>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for earlier adoption/effective date deferred indefinitely
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	01 January 2027
New standard "IFRS 18"	IFRS 18, 'Presentation and Disclosure in Financial Statements'	01 January 2027
New standard "IFRS 19"	IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'	01 January 2027

Management is in the process of assessing the impact, if any, these pronouncements may have in future reporting periods.

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

**4. GOING CONCERN**

The Company has accumulated losses of SAR 75.24 million as of 31 March 2026 (31 December 2025: accumulated losses of SAR 75.28 million). At the reporting period, the Company's accumulated losses reached 32.7% of its share capital (31 December 2025: 32.7%) which exceed above the 20% threshold as per Article 4, Part 2 of the CMA guidelines for listed companies. In addition, the Company's solvency margin position remains under pressure and continues to require strengthening in order to achieve sustainable compliance with regulatory capital expectations.

During the period, the Extraordinary General Assembly held on 1 February 2026 did not approve the proposed merger with Salama Cooperative Insurance Company, which had previously been considered a key strategic initiative intended to strengthen the Company's capital position and address its regulatory capital requirements.

Following the cancellation of the merger, the Company's extension from the Insurance Authority in relation to the minimum capital requirement expired on 26 March 2026 and the Company has initiated a process to reassess its strategic options and develop a revised capital restoration strategy. Management has prepared preliminary financial projections and business planning scenarios, which are currently under discussion with the Board of Directors. In addition, the Company is currently engaging with the Insurance Authority regarding a possible extension of the exemption for the minimum capital requirement. Further, management has considered the Company's available liquidity, expected cash inflows from existing and future insurance contracts, and its continued ability to write and renew policies in the normal course of business during the going concern assessment period. Based on these factors, management believes that the Company will be able to continue its operations for at least twelve months from the reporting date.

The successful implementation of these measures remains subject to significant uncertainty and depends on several factors, including:

- successful development and implementation of a revised strategic plan;
- the Company's ability to raise additional capital;
- continued regulatory support from the Insurance Authority; and
- improvement in the Company's operational and underwriting performance.

These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Notwithstanding these uncertainties, the Company has assessed the going concern basis of preparation to be appropriate.

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

**5. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following:

	<b>31 March 2026 (Unaudited)</b>		
	<b>Insurance operations</b>	<b>Shareholders' operations</b>	<b>Total</b>
Bank balances	24,366	2,620	26,986
Deposits maturing within 3 months from the acquisition date	-	143,601	143,601
	<u>24,366</u>	<u>146,221</u>	<u>170,587</u>
	31 December 2025 (Audited)		
	<b>Insurance operations</b>	<b>Shareholders' operations</b>	<b>Total</b>
Bank balances	9,004	704	9,708
Deposits maturing within 3 months from the acquisition date	-	141,743	141,743
	<u>9,004</u>	<u>142,447</u>	<u>151,451</u>

During the period, the deposits are held in short term murabaha deposit having maturity less than three months in the Kingdom of Saudi Arabia. These deposits were held with commercial banks and financial institutions in the Kingdom of Saudi Arabia. These deposits carried interest rates ranging from 3.8% to 5.15% as of 31 March 2026 (2025: 4% to 6.07%). These deposits are denominated in Saudi Arabian Riyals and have an original maturity of not exceeding three months.

The movement of impairment allowance for cash and cash equivalent are as follows:

	<b>Shareholders' operations</b>	
	<b>31 March 2026 (Unaudited)</b>	<b>31 December 2025 (Audited)</b>
Balance at the beginning of the period / year	-	3
Impairment reversal during the period / year	-	(3)
<b>Balance at the end of the period / year</b>	<u>-</u>	<u>-</u>

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

**6. INVESTMENTS**

Investments are classified as follows:

	<b>Shareholders' operations</b>	
	<b>31 March</b>	31 December
	<b>2026</b>	2025
	<b>(Unaudited)</b>	(Audited)
Financial assets at amortised cost	<b>34,759</b>	34,685

**6.1 Financial assets at amortised cost**

The movement in the investments on amortised cost balance is as follows:

	<b>31 March</b>	31 December
	<b>2026</b>	2025
	<b>(Unaudited)</b>	(Audited)
Opening balance before loss allowance	<b>34,685</b>	147,715
Interest income accrued during the period / year	<b>387</b>	743
Interest income received during the period / year	<b>(313)</b>	(743)
Placed during the period / year	-	34,685
Matured during the period / year	-	(147,715)
	<b>34,759</b>	34,685

Movement in impairment allowance on investment in financial assets measured at amortised cost is as follows:

	<b>Shareholders' operations</b>	
	<b>31 March</b>	31 December
	<b>2026</b>	2025
	<b>(Unaudited)</b>	(Audited)
Balance at the beginning of the period / year	-	10
Impairment reversal during the period / year	-	(10)
<b>Balance at the end of the period / year</b>	<b>-</b>	<b>-</b>

**7. STATUTORY DEPOSIT**

	<b>Shareholders' operations</b>	
	<b>31 March</b>	31 December
	<b>2026</b>	2025
	<b>(Unaudited)</b>	(Audited)
Statutory deposit	<b>34,500</b>	34,500

As required by the Regulations, the Company deposited an amount equivalent to 15% of its paid-up share capital in a bank designated by the Regulator. Accrued income on this deposit is payable to the Regulator as of 31 March 2026 amounting to SAR 0.198 million (31 December 2025: SAR 1.65 million) and this deposit cannot be withdrawn without approval from the Regulator. During the period, the Company released accrued income on the statutory deposit to the Insurance Authority amounting to SAR 1.86 million, representing income accrued up to 15 February 2026.

**SAUDI ENAYA COOPERATIVE INSURANCE COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

(All amounts expressed in Saudi Riyals '000 unless otherwise stated)

**8. INSURANCE CONTRACTS**

		<b>Insurance operations</b>	
		<b>31 March 2026 (Unaudited)</b>	<b>31 December 2025 (Audited)</b>
Insurance contract assets – Corporate	a	<b>(6,192)</b>	-
Insurance contract liabilities – Corporate		-	6,110
Insurance contract liabilities - SME and others	b	<b>73,990</b>	43,250
		<b>67,798</b>	<b>49,360</b>

*a. Corporate*

	<b>As at 31 March 2026 (Unaudited)</b>				
	<b>Liability for Remaining Coverage (LRC)</b>		<b>Liability for Incurred Claims (LIC)</b>		<b>Total</b>
	<b>Excluding loss component</b>	<b>Loss Component (LC)</b>	<b>Estimate of present value of cash flows</b>	<b>Risk adjustment for non- financial risk</b>	
<b>Insurance contract issued</b>					
Opening insurance contract liabilities	<b>(26,182)</b>	<b>1,498</b>	<b>30,475</b>	<b>319</b>	<b>6,110</b>
<b>Insurance revenue</b>	<b>5,400</b>	-	-	-	<b>5,400</b>
<b>Insurance service expense</b>					
Incurred claims and other direct attributable expense	-	-	<b>4,531</b>	<b>128</b>	<b>4,659</b>
Changes that relate to past services – changes in the fulfilment cash flows (FCF) relating to the LIC	-	-	<b>(563)</b>	<b>(195)</b>	<b>(758)</b>
Loss on onerous contracts	-	<b>68</b>	-	-	<b>68</b>
Insurance acquisition cash flows	<b>698</b>	-	-	-	<b>698</b>
<b>Total insurance service expenses</b>	<b>698</b>	<b>68</b>	<b>3,968</b>	<b>(67)</b>	<b>4,667</b>
<b>Insurance service result</b>	<b>4,702</b>	<b>(68)</b>	<b>(3,968)</b>	<b>67</b>	<b>733</b>
<b>Cash flows</b>					
Premium received	<b>13,149</b>	-	-	-	<b>13,149</b>
Claims and other directly attributable expenses paid	-	-	<b>(23,897)</b>	-	<b>(23,897)</b>
Insurance acquisition cash flows	<b>(821)</b>	-	-	-	<b>(821)</b>
<b>Total cash flows</b>	<b>12,328</b>	-	<b>(23,897)</b>	-	<b>(11,569)</b>
<b>Net balance as at 31 March 2026</b>	<b>(18,556)</b>	<b>1,566</b>	<b>10,546</b>	<b>252</b>	<b>(6,192)</b>

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**8. INSURANCE CONTRACTS (CONTINUED)**

*a. Corporate*

	As at 31 December 2025 (Audited)				Total
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		
	Excluding loss component	Loss component	Estimate of present value of cash flows	Risk adjustment for non-financial risk	
Insurance contract issued					
Opening insurance contract liabilities	(4,119)	10,153	46,528	1,857	54,419
Insurance revenue	96,432	-	-	-	96,432
Insurance service expense					
Incurred claims and other direct attributable expense	-	-	88,126	308	88,434
Changes that relate to past services – changes in the fulfilment cash flows (FCF) relating to the LIC	-	-	(6,650)	(1,846)	(8,496)
Loss on onerous contracts and reversal of those losses	-	(8,655)	-	-	(8,655)
Insurance acquisition cash flows	15,136	-	-	-	15,136
Total insurance service expenses	15,136	(8,655)	81,476	(1,538)	86,419
Insurance service result	81,296	8,655	(81,476)	1,538	10,013
Cash flows					
Premium received	70,093	-	-	-	70,093
Claims and other directly attributable expenses paid	-	-	(97,529)	-	(97,529)
Insurance acquisition cash flows	(10,860)	-	-	-	(10,860)
Total cash flows	59,233	-	(97,529)	-	(38,296)
Net balance as at 31 December 2025	(26,182)	1,498	30,475	319	6,110

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**8. INSURANCE CONTRACTS (CONTINUED)**

*b. SME and others*

	As at 31 March 2026 (Unaudited)				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss component	Loss Component (LC)	Estimate of present value of cash flows	Risk adjustment for non-financial risk	
<b>Insurance contract issued</b>					
Opening insurance contract liabilities	13,174	5,251	24,284	541	43,250
<b>Insurance revenue</b>	<b>26,390</b>	-	-	-	<b>26,390</b>
<b>Insurance service expense</b>					
Incurring claims and other direct attributable expense	-	-	23,118	683	23,801
Changes that relate to past services – changes in the fulfilment cash flows (FCF) relating to the LIC	-	-	(189)	(473)	(662)
Loss on onerous contracts and reversal of those losses	-	(1,493)	-	-	(1,493)
Insurance acquisition cash flows	4,487	-	-	-	4,487
<b>Total insurance service expenses</b>	<b>4,487</b>	<b>(1,493)</b>	<b>22,929</b>	<b>210</b>	<b>26,133</b>
<b>Insurance service result</b>	<b>21,903</b>	<b>1,493</b>	<b>(22,929)</b>	<b>(210)</b>	<b>257</b>
<b>Cash flows</b>					
Premium received	49,052	-	-	-	49,052
Claims and other directly attributable expenses paid	-	-	(13,042)	-	(13,042)
Insurance acquisition cash flows	(5,013)	-	-	-	(5,013)
<b>Total cash flows</b>	<b>44,039</b>	-	<b>(13,042)</b>	-	<b>30,997</b>
<b>Net balance as at 31 March 2026</b>	<b>35,310</b>	<b>3,758</b>	<b>34,171</b>	<b>751</b>	<b>73,990</b>

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**8. INSURANCE CONTRACTS (CONTINUED)**

**b. SME and others**

	As at 31 December 2025 (Audited)				Total
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		
	Excluding loss component	Loss component	Estimate of present value of cash flows	Risk adjustment for non-financial risk	
Insurance contract issued					
Opening insurance contract liabilities	(504)	4,270	25,131	743	29,640
Insurance revenue	74,107	-	-	-	74,107
Insurance service expenses					
Incurred claims and other direct attributable expense	-	-	63,320	536	63,856
Changes that relate to past services – changes in the fulfilment cash flows (FCF) relating to the LIC	-	-	(3,245)	(738)	(3,983)
Loss on onerous contracts	-	981	-	-	981
Insurance acquisition cash flows	12,413	-	-	-	12,413
Total insurance service expenses	12,413	981	60,075	(202)	73,267
Insurance service result	61,694	(981)	(60,075)	202	840
Cash flows					
Premium received	84,597	-	-	-	84,597
Claims and other directly attributable expenses paid	-	-	(60,922)	-	(60,922)
Insurance acquisition cash flows	(9,225)	-	-	-	(9,225)
Total cash flows	75,372	-	(60,922)	-	14,450
Net balance as at 31 December 2025	13,174	5,251	24,284	541	43,250

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**9. PROVISION FOR ZAKAT AND INCOME TAX**

The differences between the financial and the Zakat-able results are mainly due to certain adjustments in accordance with the relevant fiscal regulations.

Movements in the Zakat and income tax accrued during the period ended 31 March 2026 and year ended 31 December 2025 respectively are as follows:

	<b>Zakat payable</b>	<b>Income Tax Payable</b>	<b>Total 31 March 2026 (Unaudited)</b>
Balance at beginning of the period	13,059	7	13,066
Provided during the period	653	1	654
Payments during the period	-	-	-
Balance at end of the period	<b>13,712</b>	<b>8</b>	<b>13,720</b>

	<b>Zakat payable</b>	<b>Income Tax Payable</b>	<b>Total 31 December 2025 (Audited)</b>
Balance at beginning of the year	9,882	-	9,882
Provided during the year	8,034	7	8,041
Payments during the year	(4,857)	-	(4,857)
Balance at end of the year	<b>13,059</b>	<b>7</b>	<b>13,066</b>

**Status of zakat assessments**

The Company's zakat and income tax assessments until 2018 have been finalized.

For the years 2019 through 2020, the ZATCA has issued the revised assessments with additional zakat liability of SAR 2.17 million and SAR 2.33 million respectively. The Company has settled SAR 0.26 million and SAR 0.45 million for the years 2019 and 2020, respectively. The Company has filed an appeal with the General Secretariat of Zakat, Tax, and Customs Committee ("GSZTC").

Subsequently, the GSZTC hearing was on hold as the Company has approached the Alternative Dispute Resolution Committee ("ADRC") to discuss an amicable settlement of their contested appeal matters for the years 2019 and 2020. However, the settlement proposal submitted by the Company was not accepted by ADRC, and as a result, the appeal process with GSZTC has resumed. The Company attended the hearing before GSZTC Level 1. The GSZTC Level 1 issued the decision rejecting the appeal for the above years and the Company is in the process of filing an appeal with GSZTC Level 2.

For the years 2021 through 2023, ZATCA has issued draft assessments indicating additional zakat liability of SAR 13.17 million and additional income tax liability of SAR 1.10 million relating to the years 2022 and 2023.

In addition, ZATCA has issued a draft assessment for the fiscal year 2024 indicating additional zakat liability of SAR 4.74 million. The Company has filed the return for the year 2025.

Based on management's assessment and in accordance with the applicable financial reporting requirements, the Company has recognized a provision in the interim condensed financial information representing management's best estimate of the expected obligation arising from the above-mentioned assessments as at the reporting date.

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**10. SHARE CAPITAL**

	<b>Shareholders' operations</b>	
	<b>31 March 2026 (Unaudited)</b>	31 December 2025 (Audited)
Share capital	<b>230,000</b>	230,000

As at 31 March 2026, the authorized, subscribed and paid-up share capital of the Company is SAR 230 million, divided into 23 million shares of SAR 10 each (31 December 2025: SAR 230 million, divided into 23 million shares of SAR 10 each).

Following the Company's request on 3 March 2025, the Insurance Authority (IA) approved on 26 March 2025 an extension of the deadline for meeting the minimum capital requirements. The extension was granted until the earlier of the completion of the proposed merger or a period of one year from the date of approval. During the period, on 1 February 2026, the Company's shareholders resolved not to proceed with the proposed merger. Accordingly, the extension expired after one-year period from the date of the regulator's approval. The Company is currently in the process of engaging with the Insurance Authority to obtain a further extension of the deadline for meeting the minimum capital requirements.

**11. EARNINGS PER SHARE**

The basic and diluted earnings per share for the period has been calculated by dividing the net income for the period by the weighted average number of issued and outstanding shares for the period.

a. The basic and diluted earnings per share is calculated as follows:

	<b>For the three-month period ended 31 March</b>	
	<b>2026 (Unaudited)</b>	2025 (Unaudited)
Net income for the period (SAR'000)	<b>37</b>	513
Weighted average number of ordinary shares (Shares'000)	<b>23,000</b>	23,000
Basic and diluted earnings per share (SAR / Share)	<b>0.0016</b>	0.0223

**12. CAPITAL MANAGEMENT**

Objectives are set by the Company to maintain healthy capital ratios in order to support its business objectives and maximize shareholders' value.

The Company manages its capital to ensure that it is able to continue as a going concern and comply with the regulator's capital requirements of the markets in which the Company operates while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of equity attributable to equity holders comprising paid-up share capital, reserves and accumulated losses. The Company maintains its capital as per guidelines laid out by Insurance Authority in Article 66 table 3 and 4 of the Implementing Regulations detailing the solvency margin required to be maintained.

The Company shall maintain solvency margin equivalent to the highest of the following three methods as per Insurance Authority Implementing Regulations:

- Minimum Capital Requirement of SAR 100 million.
- Premium Solvency Margin.
- Claims Solvency Margin.

The capital structure of the Company as at 31 March 2026 consists of paid-up share capital of SAR 230 million (31 December 2025: SAR 230 million) and accumulated losses of SAR 75.24 million (31 December 2025: SAR 75.28 million) in the interim condensed statement of financial position.

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**12. CAPITAL MANAGEMENT (CONTINUED)**

As per the amendment to the Co-operative Insurance Companies Law under Royal Decree (M/12) dated 23 Muharram 1443H (corresponding to 01 September 2021), insurance companies are required to have a minimum share capital of SAR 300 million.

As at the reporting date, the Company is in non-compliance with the minimum share capital requirement mentioned above (note 10).

**13. COMMITMENTS AND CONTINGENCIES**

The Company has no contingencies or letters of guarantee as at 31 March 2026 (31 December 2025: nil). There were no capital commitments outstanding as at 31 March 2026 (31 December 2025: nil).

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business. While it is not practicable to forecast or determine the final results of all pending legal proceedings, management does not believe that such proceedings will have a material effect on its results and financial position. The Company did not have any significant outstanding legal proceedings as at the reporting date.

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**14. OPERATING SEGMENTS**

The Company only issues insurance contracts for providing health care services ('medical insurance') and all the insurance operations of the Company are carried out in the Kingdom of Saudi Arabia. The insurance operations are being monitored by management under one segment; hence no separate information is required.

**As at 31 March 2026 (Unaudited)**

Operating segments	Corporate	SME & Others	Total
<b><u>ASSETS</u></b>			
Liability for incurred claims	(10,798)	-	(10,798)
Asset for remaining coverage	16,990	-	16,990
<b>Insurance contract assets</b>	<b>6,192</b>	<b>-</b>	<b>6,192</b>
Unallocated assets			<u>248,659</u>
<b>Total assets</b>			<u><b>254,851</b></u>
<b><u>LIABILITIES</u></b>			
Liability for incurred claims	-	34,922	34,922
(Asset) / Liability for remaining coverage	-	39,068	39,068
<b>Insurance contract liabilities</b>	<b>-</b>	<b>73,990</b>	<b>73,990</b>
Unallocated liabilities			<u>24,274</u>
<b>Total liabilities</b>			<u><b>98,264</b></u>

**As at 31 December 2025 (Audited)**

Operating segments	Corporate	SME & Others	Total
<b><u>ASSETS</u></b>			
Unallocated assets	-	-	230,381
<b>Total assets</b>	<b>-</b>	<b>-</b>	<u><b>230,381</b></u>
<b><u>LIABILITIES</u></b>			
Liability for incurred claims	30,794	24,825	55,619
(Assets) / liability for remaining coverage	(24,684)	18,425	(6,259)
<b>Insurance contract liabilities</b>	<b>6,110</b>	<b>43,250</b>	<b>49,360</b>
Unallocated liabilities			<u>24,471</u>
<b>Total liabilities</b>			<u><b>73,831</b></u>

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**14. OPERATING SEGMENTS (CONTINUED)**

	<b>Three-month period ended 31</b>			<b>Three-month period ended 31</b>		
	<b>March 2026 (Unaudited)</b>			<b>March 2025 (Unaudited)</b>		
	<b>Corporate</b>	<b>SME &amp; Other</b>	<b>Total</b>	<b>Corporate</b>	<b>SME &amp; Other</b>	<b>Total</b>
Insurance revenue	<b>5,400</b>	<b>26,390</b>	<b>31,790</b>	38,568	17,293	55,861
Insurance service expenses	<b>(4,667)</b>	<b>(26,133)</b>	<b>(30,800)</b>	(35,532)	(17,504)	(53,036)
Insurance service result	<b>733</b>	<b>257</b>	<b>990</b>	3,036	(211)	2,825
Investment income on financial assets at amortised cost			<b>2,014</b>			2,294
Net impairment reversal on financial assets			-			13
<b>Net investment result</b>			<b>2,014</b>			<b>2,307</b>
<b>Net insurance and investment result</b>			<b>3,004</b>			<b>5,132</b>
Other operating expenses			<b>(2,313)</b>			<b>(4,514)</b>
<b>Net income for the period before zakat and income tax attributable to shareholders</b>			<b>691</b>			<b>618</b>
Zakat charge			<b>(653)</b>			(100)
Income tax charge			<b>(1)</b>			(5)
<b>Net income for the period after zakat and income tax attributable to the shareholders</b>			<b>37</b>			<b>513</b>

The details of gross written premium are as follows:

	<b>Three-month period</b>	
	<b>ended 31 March</b>	
	<b>2026</b>	<b>2025</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Individual	<b>8,157</b>	6,133
Micro enterprises	<b>24,353</b>	835
Small enterprises	<b>11,993</b>	8,229
Medium enterprises	<b>8,422</b>	11,727
Large enterprises	<b>2,217</b>	5,245
	<b>55,142</b>	32,169

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**15. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

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 Company has several related parties but there are no transactions or balances during / as of period ended 31 March 2026.

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly and comprise top management executives including the Chief Financial Officer and (Acting) Chief Executive Officer of the Company.

The following table shows the annual salaries, remuneration and allowances obtained by the Board members and top executives for the period ended:

	<b>Three-month period ended</b>	
	<b>31 March 2026</b> <b>(Unaudited)</b>	<b>31 March 2025</b> <b>(Unaudited)</b>
<i>Top management executives</i>		
Salaries and other allowances	<b>795</b>	659
End of service indemnities	<b>26</b>	22
	<b>821</b>	681
<i>Board and committees</i>		
Board and committees' remuneration and fees	<b>401</b>	516

**16. SUBSEQUENT EVENT**

There were no subsequent events after the statement of financial position date which require adjustments to disclosure in the interim condensed financial information.

**17. APPROVAL OF THE INTERIM CONDENSED FINANCIAL INFORMATION**

The interim condensed financial information has been approved by the Board of Directors, on 16 Dhu'l-Qi'dah 1447H (corresponding to 3 May 2026).