

**GULF UNION ALAHLIA COOPERATIVE  
INSURANCE COMPANY  
(A Saudi Joint Stock Company)**

**INTERIM CONDENSED FINANCIAL  
INFORMATION  
FOR THE THREE-MONTH AND NINE-  
MONTH PERIODS ENDED 30 SEPTEMBER  
2025 (UNAUDITED)  
AND REPORT ON REVIEW OF INTERIM  
CONDENSED FINANCIAL INFORMATION**

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
(A Saudi Joint Stock Company)  
**INTERIM CONDENSED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025**  
**(UNAUDITED)**

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## Report on review of interim condensed financial information

To the shareholders of Gulf Union Alahlia Cooperative Insurance Company  
(A Saudi Joint Stock Company)

### Introduction

We have reviewed the accompanying interim condensed statement of financial position of Gulf Union Alahlia Cooperative Insurance Company (the "Company") as of 30 September 2025 and the related interim condensed statements of income and comprehensive income for the three-month and nine-month periods then ended and the interim condensed statements of changes in equity and cash flows for the nine-month period ended 30 September 2025 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 Engagements 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 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, as 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.

#### PricewaterhouseCoopers

P.O. Box 467  
Dhahran Airport 31932  
Kingdom of Saudi Arabia



Ali H. Al Basri  
License Number 409



#### Al Kharashi & Co. Certified Accountants and Auditors.

P.O. Box 8306  
Riyadh 11482  
Kingdom of Saudi Arabia



Abdullah AlMsned  
License Number 456

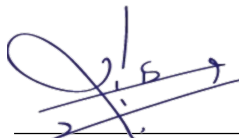


9 November 2025  
18 Jumada al-Ula H

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
(A Saudi Joint Stock Company)  
**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
<b>ASSETS</b>			
Cash and cash equivalents	5	64,231,340	53,973,519
Term deposits	6	352,910,246	400,168,421
Investments:			
Financial assets at fair value through profit or loss ("FVTPL")	7	133,959,710	138,396,972
Financial assets at fair value through other comprehensive income ("FVOCI")	7	127,327,274	122,247,674
Financial assets at amortised cost	7	170,896,277	175,996,001
Prepaid expenses and other assets		48,060,512	47,034,912
Reinsurance contract assets	9	60,971,123	61,691,142
Right-of-use assets		5,816,977	7,481,026
Property and equipment		6,249,498	7,696,401
Intangible assets		35,421,268	42,936,441
Accrued income on statutory deposit	8	4,316,737	1,819,113
Goodwill	4	67,697,750	67,697,750
Statutory deposit	8	68,836,589	68,838,456
<b>TOTAL ASSETS</b>		<b>1,146,695,301</b>	<b>1,195,977,828</b>
<b>LIABILITIES</b>			
Accrued and other liabilities		20,921,895	23,462,432
Insurance contract liabilities	9	533,562,297	499,820,414
Employee benefit obligations		19,978,809	19,978,809
Lease liabilities		6,293,580	8,622,513
Zakat and income tax payable	19	14,590,593	15,575,348
Accrued commission income payable to Insurance Authority		4,316,737	1,819,113
<b>TOTAL LIABILITIES</b>		<b>599,663,911</b>	<b>569,278,629</b>
<b>EQUITY</b>			
Share capital	10	458,949,280	458,949,280
Statutory reserve	20	14,076,961	14,076,961
(Accumulated losses) retained earnings		(47,982,328)	36,765,081
Fair value reserve on investments		123,481,118	118,401,518
Remeasurement reserve of employee benefit obligations		(1,493,641)	(1,493,641)
<b>TOTAL EQUITY</b>		<b>547,031,390</b>	<b>626,699,199</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,146,695,301</b>	<b>1,195,977,828</b>

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.



Abdulaziz Ali Al Turki  
Chairman of the Board of  
Directors



Meshaal L. Alshayea  
Chief Executive Officer

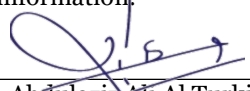


Faris Al Habbad  
Chief Financial Officer

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
(A Saudi Joint Stock Company)  
**INTERIM CONDENSED STATEMENT OF INCOME**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

	Note	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Insurance revenue	11	258,114,857	210,004,511	766,336,128	568,479,632
Insurance service expenses	11	(253,467,623)	(193,824,277)	(788,946,468)	(488,623,278)
Net expense from reinsurance contracts	11	(24,025,443)	(8,987,246)	(65,665,106)	(41,164,329)
<b>Insurance service result from Company's directly written business</b>		<b>(19,378,209)</b>	7,192,988	<b>(88,275,446)</b>	38,692,025
Share of surplus from insurance pools	13	-	41,875	2,653,759	4,079,983
<b>Total insurance service result</b>		<b>(19,378,209)</b>	7,234,863	<b>(85,621,687)</b>	42,772,008
Interest income from financial assets not measured at FVTPL		7,098,006	7,400,910	21,921,622	21,101,896
Interest income from financial assets measured at FVTPL		1,258,834	413,923	2,289,125	1,806,057
Net credit impairment reversal (losses)	5,6,7,8	4,759	936	(12,507)	2,110
Net gains on financial assets measured at FVTPL	7	4,803,572	4,494,853	6,947,577	2,176,423
Dividend income		686,690	329,275	1,462,041	1,215,192
<b>Net investment income</b>		<b>13,851,861</b>	12,639,897	<b>32,607,858</b>	26,301,678
Finance expense from insurance contracts issued	12	(3,656,258)	(2,084,080)	(2,592,070)	(3,593,005)
Finance income (expense) from reinsurance contracts held	12	82,362	251,337	157,583	(36,080)
<b>Net insurance finance expense</b>		<b>(3,573,896)</b>	(1,832,743)	<b>(2,434,487)</b>	(3,629,085)
<b>Net insurance and investment result</b>		<b>(9,100,244)</b>	18,042,017	<b>(55,448,316)</b>	65,444,601
Finance cost on leases		(83,509)	(121,646)	(369,980)	(372,534)
Other operating expenses		(5,034,444)	(4,877,179)	(20,829,113)	(20,992,253)
<b>Total (loss) profit for the period before zakat and income tax</b>		<b>(14,218,197)</b>	13,043,192	<b>(76,647,409)</b>	44,079,814
Zakat expense	19	(2,700,000)	(1,500,000)	(8,100,000)	(5,693,778)
Income tax expense	19	-	-	-	(212,351)
<b>NET (LOSS) PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS</b>		<b>(16,918,197)</b>	11,543,192	<b>(84,747,409)</b>	38,173,685
<b>(Losses) earnings per share (expressed in Saudi Riyals per share)</b>					
Basic (losses) earnings per share	22	(0.37)	0.25	(1.85)	0.83
Diluted (losses) earnings per share	22	(0.37)	0.25	(1.85)	0.83

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.

  
Abdulaziz Ali Al Turki  
Chairman of the Board of Directors

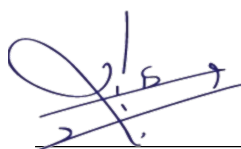
  
Mesheal I. Alshayea  
Chief Executive Officer

  
Faris Al Habbad  
Chief Financial Officer

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
(A Saudi Joint Stock Company)  
**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

Note	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
<b>NET (LOSS) PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS</b>	<b>(16,918,197)</b>	11,543,192	<b>(84,747,409)</b>	38,173,685
<b>Other comprehensive income:</b>				
<i>Items that will not be reclassified to interim condensed statement of income in subsequent periods</i>				
Net changes in fair value of investment measured at FVOCI	15	-	-	5,079,600
<b>Total other comprehensive income</b>		-	-	5,079,600
<b>TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS</b>	<b>(16,918,197)</b>	11,543,192	<b>(79,667,809)</b>	38,173,685

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.



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)  
**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

	Share capital	Statutory reserve	(Accumulated losses) retained earnings	Remeasurement reserve of employee benefit obligations	Fair value reserve on investments	Total
<b>At 1 January 2025 (Audited)</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 income for the period</b>	-	-	-	-	-	-
Net loss for the period attributable to the shareholders	-	-	(84,747,409)	-	-	(84,747,409)
Other comprehensive income	-	-	-	-	5,079,600	5,079,600
<b>Total comprehensive (loss) income for the period attributable to the shareholders</b>	-	-	<b>(84,747,409)</b>	-	<b>5,079,600</b>	<b>(79,667,809)</b>
Transfer to a statutory reserve	-	-	-	-	-	-
<b>Balance at 30 September 2025 (Unaudited)</b>	<b>458,949,280</b>	<b>14,076,961</b>	<b>(47,982,328)</b>	<b>(1,493,641)</b>	<b>123,481,118</b>	<b>547,031,390</b>
<b>At 1 January 2024 (Audited)</b>	458,949,280	5,347,858	1,848,668	(1,276,330)	83,122,349	547,991,825
<b>Total comprehensive income for the period</b>	-	-	-	-	-	-
Net profit for the period attributable to the shareholders	-	-	38,173,685	-	-	38,173,685
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period attributable to the shareholders</b>	-	-	<b>38,173,685</b>	-	-	<b>38,173,685</b>
Transfer to a statutory reserve	-	7,634,737	(7,634,737)	-	-	-
<b>Balance at 30 September 2024 (Unaudited)</b>	<b>458,949,280</b>	<b>12,982,595</b>	<b>32,387,616</b>	<b>(1,276,330)</b>	<b>83,122,349</b>	<b>586,165,510</b>

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.

Abdulaziz Ali Al Turki  
Chairman of the Board of Directors

Meshaal L. Alshayea  
Chief Executive Officer

Faris Al Habbad  
Chief Financial Officer

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
(A Saudi Joint Stock Company)  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

		For the nine-month period ended 30 September	
	Note	2025 (Unaudited)	2024 (Unaudited)
<b>Cash flows from operating activities</b>			
Total (loss) profit for the period before zakat and income tax		(76,647,409)	44,079,814
<b>Adjustments for:</b>			
Depreciation of property and equipment		1,632,814	2,037,775
Amortisation of intangible assets		10,182,802	9,245,687
Depreciation of right-of-use assets		3,056,025	2,385,012
Finance cost on leases		369,980	372,534
Interest income from financial assets not measured at FVTPL		(21,921,622)	(21,101,896)
Interest income from financial assets measured at FVTPL		(2,289,125)	(1,806,057)
Net credit impairment losses (reversal)		12,507	(2,110)
Net gains on financial assets measured at FVTPL	7	(6,947,577)	(2,176,423)
Dividend income		(1,462,041)	(1,215,192)
Employee benefit obligations		1,282,664	2,335,372
Gain on remeasurement of lease liabilities		-	(56,707)
<b>Changes in operating assets and liabilities:</b>			
Prepaid expenses and other assets		(928,692)	33,328,396
Reinsurance contract assets	9	720,019	(10,373,729)
Accrued income on statutory deposit	8	(2,497,624)	(3,094,119)
Accrued and other liabilities		(2,540,537)	(8,208,533)
Insurance contract liabilities	9	33,741,883	(14,981,710)
Accrued commission income payable to Insurance Authority	8	2,497,624	3,094,119
<b>Cash (used in) generated from operations</b>		<b>(61,738,309)</b>	<b>33,862,233</b>
Employee benefit obligations paid		(1,282,664)	(2,335,372)
Zakat and income tax paid	19	(9,084,755)	(4,906,129)
<b>Net cash (used in) generated from operating activities</b>		<b>(72,105,728)</b>	<b>26,620,732</b>
<b>Cash flows from investing activities</b>			
Placement of term deposits		(55,357,406)	(361,430,847)
Redemption of term deposits		119,949,723	312,772,700
Payments for purchases of financial assets at FVTPL	7	(4,127,161)	(2,089,877)
Payments against purchases of financial assets at amortised cost		-	(9,000,000)
Proceeds from maturity of investments held at amoritised cost	7	5,000,000	2,000,000
Proceed from sale of investment held at FVTPL		15,512,000	734,639
Interest income received from financial assets not measured at FVTPL		4,579,656	4,427,110
Interest income received from financial assets measured at FVTPL		3,751,166	3,021,249
Payments against purchases of property and equipment		(185,911)	(1,761,827)
Payments against purchases of intangible assets		(2,667,629)	(10,522,473)
<b>Net cash generated from (used in) investing activities</b>		<b>86,454,438</b>	<b>(61,849,326)</b>

(continued)

(continued)

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
(A Saudi Joint Stock Company)  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS** (continued)  
(All amounts expressed in Saudi Riyals unless otherwise stated)

	Note	For the nine-month period ended 30 September	
		2025 (Unaudited)	2024 (Unaudited)
<b>Cash flows from financing activities</b>			
Payments for principal elements of lease payments		(3,720,909)	(2,261,580)
Finance costs paid on lease liabilities		(369,980)	(372,534)
<b>Net cash used in financing activities</b>		<b>(4,090,889)</b>	<b>(2,634,114)</b>
Net increase (decrease) in cash and cash equivalents		10,257,821	(37,862,708)
Cash and cash equivalents at the beginning of the period	5	53,973,519	55,114,476
<b>Cash and cash equivalents at end of the period</b>	5	<b>64,231,340</b>	<b>17,251,768</b>
<b><u>Supplemental non-cash information:</u></b>			
Net changes in fair value of investment measured at FVOCI	15	5,079,600	-
Right-of-use assets recorded against lease liabilities		1,391,975	-

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.



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)  
**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

**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 and 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 Insurance Authority (formerly known as: “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 six main branches and various point-of-sale stores located in the Kingdom of Saudi Arabia. Following are CR numbers of the six branches:

<b>Branch type</b>	<b>Location</b>	<b>CR number</b>
Regional branch	Dammam	2050118944
Regional branch	Riyadh	1010247518
Regional branch	Jeddah	4030177933
Regional branch	Riyadh	1010238441
Regional branch	Al Khobar	2051048012
Regional branch	Jeddah	4030224075

*(b) Accumulated losses*

During the three-month and nine-month periods ended 30 September 2025, the Company has reported net loss for the period attributable to shareholders amounting to Saudi Riyals 16.9 million and Saudi Riyals 84.7 million, respectively, primarily due to the losses recognised in the motor and medical line of business. Further, the Company has net operating cash outflows amounting to Saudi Riyals 72.1 million for the nine-month period ended 30 September 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 6.0 million and Saudi Riyals 36.5 million, during the three-month and nine-month periods ended 30 September 2024, to a loss amounting to Saudi Riyals 31.5 million and Saudi Riyals 86.1 million during the three-month and nine-month periods ended 30 September 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 aggregator group during the nine-month period ended 30 September 2025. Further, the Company has also recognised loss component on onerous contract (Also see Note 11).

Management has formulated and implemented measures during the nine-month period ended 30 September 2025, which mainly include better pricing strategies aimed to maximise adequacy ratios and writing quality risk business. Management expects the impact of measures taken to start reflecting in the coming periods.

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**  
(A Saudi Joint Stock Company)  
**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025**  
(All amounts expressed in Saudi Riyals unless otherwise stated)

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

(b) *Accumulated losses* (continued)

(ii) *Medical*

The insurance service results for the medical line of business experienced a decrease from a profit of Saudi Riyals 4.8 million to a loss of Saudi Riyals 14.5 million, during the nine-month period ended 30 September 2025, as compared to the nine-month period ended 30 September 2024.

The loss situation primarily resulted from an increase in the frequency of medical claims incurred, particularly driven by an increase in loss ratios for the corporate policies during the nine-month period ended 30 September 2025 (Also see Note 11).

Management has formulated and implemented measures since the year ended 31 December 2024, which mainly include better pricing strategies aimed to maximise adequacy ratios and writing quality risk business. Management expects the impact of measures taken to start reflecting in the coming periods. This is evident from the result for the three-month period ended 30 September 2025, where the total insurance service result from this line of business is positive.

(iii) *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 64.2 million, Saudi Riyals 352.9 million and Saudi Riyals 134.0 million, respectively, as at 30 September 2025 which principally cover the Company's third party liabilities as of 30 September 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, this interim condensed financial information is prepared on a going concern basis.

(d) *Shareholding percentage*

The shareholding percentage of the Company at 30 September 2025 and 31 December 2024 was as follows:

	<b>30 September 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*

The interim condensed financial information of the Company has been prepared in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) as 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 Saudi Arabian Insurance Regulations, 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 management.

**GULF UNION ALAHLIA COOPERATIVE INSURANCE COMPANY**

(A Saudi Joint Stock Company)

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025**

(All amounts expressed in Saudi Riyals unless otherwise stated)

**2 Basis of preparation** (continued)

*a) Statement of compliance* (continued)

In accordance with the requirements of Implementing Regulation for Co-operative Insurance Companies (the “Regulations”) issued by the Insurance Authority, formerly 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 Regulations require the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders’ operations.

In preparing the Company’s financial information in compliance with IAS 34, as 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. Interoperation 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 interim condensed financial information is prepared under the historical cost convention, except as explained in the relevant accounting policies in the annual financial statements for the year ended 31 December 2024.

*(c) Basis of presentation*

The interim condensed financial information does not include all information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2024.

The Company’s interim condensed statement of financial position is not presented using a current/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 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 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*

This interim condensed financial information is 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 insurance operations of the Company. The interim results may not represent a proportionate share of the annual results due to cyclical variability in premiums and uncertainty of claims occurrences.

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**2 Basis of preparation** (continued)

*(f) Changes in products and services*

During the three-month and nine-month periods ended 30 September 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**

**3.1 New standards, amendments and interpretations**

The accounting policies, estimates and assumptions used in the preparation of this interim condensed financial information are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2024.

There were no new standards or amendments to standards and interpretations that became applicable for the current reporting period, except for the amendment to IAS 21 'Foreign currencies'. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting this amendment.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 1 January 2025 reporting periods and have not been early adopted by the Company. The new standard on presentation and disclosure in financial statements i.e. IFRS 18, 'Presentation and Disclosure in Financial Statements', will apply for reporting periods beginning on or after 1 January 2027. Management is in the process of assessing the impact of such new standards and interpretations on its financial statements.

**3.2 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 disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Actual results may differ from these estimates.

In preparing this interim condensed financial information, the significant judgments and assumptions made by management in applying the Company's accounting policies and the key sources of estimation uncertainty including the risk management policies were the same as those that applied and disclosed in the annual financial statements for the year ended 31 December 2024.

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**4 Goodwill**

The goodwill relates to merger of the Company with Al Ahlia Cooperative Insurance Company (“Al Ahlia”) is attributable to the synergies from combining the operations of the Gulf Union and Al Ahlia. Goodwill is allocated to the Company as a single CGU, being the combined operations of the Company and Al Ahlia. The Company tests the goodwill for impairment at each reporting date, if there are impairment indicators, and at least annually. Due to deteriorating financial results as compared to the approved business plan, the management has performed goodwill impairment assessment as at 30 September 2025.

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>30 September 2025</b>	<b>31 December 2024</b>
Weighted average cost of capital (%)	<b>15</b>	15
Insurance service expenses as a percentage of insurance revenue (%)	<b>97.6</b>	91.5

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 was 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.

*Discount rate*

The discount rate used to calculate the present value of future cashflows in the forecast period has been estimated to be 15%. If all other assumptions kept the same, an increase of this ratio from 15% to approximately 19% would give a value in use equal to the current carrying amount.

*Insurance service expenses as a percentage of insurance revenue*

The insurance service expenses in the forecast period have been estimated to be 97.6% of insurance revenue. If all other assumptions kept the same, an increase of insurance service expense from 97.6% to 98.5% of insurance revenue 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.

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**5 Cash and cash equivalents**

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

	<b>30 September 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Cash at bank - current accounts	<b>54,234,408</b>	31,974,161
Time deposit	<b>10,000,000</b>	22,000,000
	<b>64,234,408</b>	53,974,161
Net credit impairment losses	<b>(3,068)</b>	(642)
	<b>64,231,340</b>	53,973,519

Cash at banks is placed with counterparties with sound credit ratings. Time deposit at 30 September 2025 is placed with a local bank with original maturity of less than three months from the date of placement and earned commission income at the rate of 4.3% per annum (31 December 2024: 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. Investment grade ratings refer 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).

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

	<b>30 September 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Balance at beginning of the period / year	<b>642</b>	619
Net credit impairment losses recognised in interim condensed statement of income during the period / year	<b>2,426</b>	23
Balance at end of the period / year	<b>3,068</b>	642

**6 Term deposits**

As at 31 December 2024, long-term deposits 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 deposits were matured during the period ended 30 September 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. Investment grade ratings refer 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).

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**6 Term deposits** (continued)

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

	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at beginning of the period / year	-	5,120
Net credit impact losses in interim condensed statement of income during the period / year	-	(5,120)
Balance at end of the period / year	-	-

Short-term deposits, amounting to Saudi Riyals 352.9 million (31 December 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 from the date of placement. These deposits earned commission income at the rate between 5.6% and 6.1% per annum (31 December 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. Investment grade ratings refer 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).

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

	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at beginning of the period / year	<b>21,652</b>	7,569
Net credit impairment losses recognised in interim condensed statement of income during the period / year	<b>7,824</b>	14,083
Balance at end of the period / year	<b>29,476</b>	21,652

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**7 Investments**

(a) *Investments are classified as follows:*

	<b>30 September 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<b>Financial assets at FVTPL</b>		
Mutual Funds	<b>73,148,568</b>	82,924,693
Ordinary shares	<b>37,881,517</b>	33,338,029
Sukuks	<b>22,929,625</b>	22,134,250
	<b>133,959,710</b>	138,396,972
<b>Financial assets at FVOCI</b>		
Ordinary shares	<b>127,327,274</b>	122,247,674
<b>Financial assets at amortised cost</b>		
Sukuks	<b>170,900,729</b>	176,000,063
Net credit impairment losses	<b>(4,452)</b>	(4,062)
	<b>170,896,277</b>	175,996,001
	<b>432,183,261</b>	436,640,647

Investments in sukuks are classified as investments measured at amortised cost, except for certain Sukuks amounting to Saudi Riyals 22.9 million as at 30 September 2025 (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.

The Company has classified its investments in ordinary shares at FVTPL, except for Najm for Insurance Services ("Najm") investments which are being held at FVOCI. The Company holds an investment in the equity of Najm and in accordance with Company's accounting policy, investments in equity instruments should be measured at fair value. The fair value of Najm investment as at 30 September 2025 and 31 December 2024 amounted to Saudi Riyals 127.3 million and Saudi Riyals 122.2 million, respectively.

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. Investment grade ratings refer 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).

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

	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at beginning of the period / year	<b>260,644,646</b>	222,113,472
Additions during the period / year	<b>4,127,161</b>	5,039,811
Withdrawal during the period / year	<b>(15,512,000)</b>	(734,639)
Changes in fair value of investments	<b>12,027,177</b>	34,226,002
Balance at end of the period / year	<b>261,286,984</b>	260,644,646

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

	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at beginning of the period / year	<b>176,000,063</b>	156,102,104
Addition during the year	-	22,000,000
Matured during the period/ year	<b>(5,000,000)</b>	(2,000,000)
Interest accreted during the period / year	<b>(99,334)</b>	(102,041)
	<b>170,900,729</b>	176,000,063
Net credit impairment losses	<b>(4,452)</b>	(4,062)
	<b>170,896,277</b>	175,996,001

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

	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at beginning of the period / year	<b>4,062</b>	2,496
Net credit impairment losses recognised in interim condensed statement of income during the period / year	<b>390</b>	1,566
Balance at end of the period / year	<b>4,452</b>	4,062

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**8 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%). Insurance Authority, formerly 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 SAMA vide their circular dated 1 March 2016, the Company has disclosed the commission due on statutory deposit as at 30 September 2025 as an asset and a liability in these financial statements.

The gross carrying amount of statutory deposit represents the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1. Investment grade ratings refer 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).

*Movement in allowance for net credit impairment losses on statutory deposit is as follows:*

	<b>30 September 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Balance at beginning of the period / year	<b>3,936</b>	8,170
Net credit impairment losses (reversals) in interim condensed statement of income during the period / year	<b>1,867</b>	(4,234)
Balance at end of the period / year	<b>5,803</b>	3,936

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**9 Insurance and reinsurance contracts****9.1 Composition of the interim condensed statement of financial position**

An analysis of the amounts presented on the interim condensed statement of financial position for insurance contracts and reinsurance contracts has been included in the table below along with the presentation of current and non-current portion of balances:

<b>30 September 2025 (Unaudited)</b>	<b>Medical</b>	<b>Motor</b>	<b>General Accident &amp; Liability</b>	<b>Engineering</b>	<b>Property</b>	<b>Marine</b>	<b>Protection</b>	<b>Total</b>
<b>Insurance Contracts</b>								
Insurance contract assets	-	-	-	-	-	-	-	-
Insurance contract liabilities	<b>221,476,336</b>	<b>195,636,465</b>	<b>54,883,200</b>	<b>21,109,499</b>	<b>11,365,901</b>	<b>28,809,210</b>	<b>281,686</b>	<b>533,562,297</b>
								<b><u>533,562,297</u></b>
<b>Reinsurance contracts</b>								
Reinsurance contract assets	<b>731,481</b>	<b>4,539,511</b>	<b>9,096,249</b>	<b>14,504,008</b>	<b>6,004,269</b>	<b>25,927,353</b>	<b>168,252</b>	<b>60,971,123</b>
Reinsurance contract liabilities	-	-	-	-	-	-	-	-
								<b><u>60,971,123</u></b>
<b>31 December 2024 (Audited)</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
								<b><u>499,820,414</u></b>
<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	-	-	-	-	-	-	-	-
								<b><u>61,691,142</u></b>

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

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

**9.2.1 Insurance contracts**

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	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>(766,336,128)</b>	-	-	-	<b>(766,336,128)</b>	(804,752,396)	-	-	-	(804,752,396)
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	627,907,701	5,675,740	633,583,441	-	-	589,824,792	5,201,726	595,026,518
Losses (reversal of losses) on onerous contracts	-	19,435,835	-	-	19,435,835	-	(240,574)	-	-	(240,574)
Changes that relate to past service - adjustments to the LIC	-	-	(5,264,861)	(4,499,034)	(9,763,895)	-	-	(25,124,468)	(4,739,442)	(29,863,910)
Insurance acquisition cashflows amortisation	145,691,087	-	-	-	145,691,087	152,475,322	-	-	-	152,475,322
<b>Insurance service expenses</b>	<b>145,691,087</b>	<b>19,435,835</b>	<b>622,642,840</b>	<b>1,176,706</b>	<b>788,946,468</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	-	2,651,591	(59,521)	-	2,592,070	-	(772,431)	7,940	-	(764,491)
<b>Total changes in the interim condensed statement of income</b>	<b>(620,645,041)</b>	<b>22,087,426</b>	<b>622,583,319</b>	<b>1,176,706</b>	<b>25,202,410</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	711,206,454	-	-	-	711,206,454	860,540,619	-	-	-	860,540,619
Incurred claims and other incurred insurance service expenses paid	-	-	(563,044,978)	-	(563,044,978)	-	-	(556,066,714)	-	(556,066,714)
Insurance acquisition cashflows paid	(139,622,003)	-	-	-	(139,622,003)	(153,889,950)	-	-	-	(153,889,950)
<b>Total cash inflows</b>	<b>571,584,451</b>	<b>-</b>	<b>(563,044,978)</b>	<b>-</b>	<b>8,539,473</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	147,131,300	29,481,871	348,304,458	8,644,668	533,562,297	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>147,131,300</b>	<b>29,481,871</b>	<b>348,304,458</b>	<b>8,644,668</b>	<b>533,562,297</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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**9 Insurance and reinsurance contracts** (continued)

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

**9.2.2 Reinsurance contracts held**

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	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	889,126	-	59,124,461	1,677,555	61,691,142	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>-</b>	<b>59,124,461</b>	<b>1,677,555</b>	<b>61,691,142</b>	<b>10,223,682</b>	<b>72,496</b>	<b>39,043,213</b>	<b>1,023,334</b>	<b>50,362,725</b>
<b>Allocation of reinsurance premium</b>	<b>(99,982,589)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(99,982,589)</b>	<b>(104,222,422)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(104,222,422)</b>
<b>Amounts recoverable from reinsurers</b>										
Claims recovered and other directly attributable expenses	-	-	19,827,838	809,087	20,636,925	-	-	46,551,116	880,261	47,431,377
Effect of changes in the risk of reinsurers non-performance	-	-	(2,889,558)	-	(2,889,558)	-	-	(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	-	-	17,533,070	(462,700)	17,070,370	-	-	4,696,406	(226,040)	4,470,366
<b>Amounts recoverable from reinsurers - net</b>	<b>-</b>	<b>-</b>	<b>34,471,350</b>	<b>346,387</b>	<b>34,817,737</b>	<b>-</b>	<b>(177,063)</b>	<b>50,358,356</b>	<b>654,221</b>	<b>50,835,514</b>
Changes in reinsurance due to adjustment premiums	-	-	(500,254)	-	(500,254)	-	-	(3,368,125)	-	(3,368,125)
Finance income (expenses) from reinsurance contracts	-	-	157,583	-	157,583	-	104,567	(456,723)	-	(352,156)
<b>Total changes in the interim condensed statement of income</b>	<b>(99,982,589)</b>	<b>-</b>	<b>34,128,679</b>	<b>346,387</b>	<b>(65,507,523)</b>	<b>(104,222,422)</b>	<b>(72,496)</b>	<b>46,533,508</b>	<b>654,221</b>	<b>(57,107,189)</b>
<b>Cash flows</b>										
Premiums ceded	93,297,554	-	-	-	93,297,554	94,887,866	-	-	-	94,887,866
Recoveries from reinsurance	-	-	(28,510,050)	-	(28,510,050)	-	-	(26,452,260)	-	(26,452,260)
<b>Total cash inflows</b>	<b>93,297,554</b>	<b>-</b>	<b>(28,510,050)</b>	<b>-</b>	<b>64,787,504</b>	<b>94,887,866</b>	<b>-</b>	<b>(26,452,260)</b>	<b>-</b>	<b>68,435,606</b>
Reinsurance contracts										
Reinsurance contract assets - closing	(5,795,909)	-	64,743,090	2,023,942	60,971,123	889,126	-	59,124,461	1,677,555	61,691,142
Reinsurance contract liabilities - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>(5,795,909)</b>	<b>-</b>	<b>64,743,090</b>	<b>2,023,942</b>	<b>60,971,123</b>	<b>889,126</b>	<b>-</b>	<b>59,124,461</b>	<b>1,677,555</b>	<b>61,691,142</b>

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**10 Share capital**

The authorised, issued and paid-up capital of the Company was Saudi Riyals 458.9 million as at 30 September 2025 and 31 December 2024 consisting of 45.9 million shares of 10 each.

Shareholding structure of the Company as of 30 September 2025 and 31 December 2024 is as below:

	<b>Authorised and issued</b>		<b>Paid up</b>
	<b>No. of Shares</b>	<b>Saudi Riyals</b>	
Rawabi Holding Company	<b>4,717,999</b>	<b>47,179,990</b>	<b>47,179,990</b>
Gulf Union Insurance and Projects			
Management Holding Company B.S.C. (c.)	<b>2,475,113</b>	<b>24,751,130</b>	<b>24,751,130</b>
Other	<b>38,701,816</b>	<b>387,018,160</b>	<b>387,018,160</b>
	<b>45,894,928</b>	<b>458,949,280</b>	<b>458,949,280</b>

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**11 Insurance revenue and expenses**

An analysis of insurance revenue, insurance expenses and net expenses from reinsurance contracts held by product line for three-month and nine-month periods ended 30 September 2025 and 2024 is included in following tables, respectively. Additional information on amounts recognised in interim condensed statement of income is included in the insurance contract balances reconciliation.

**For the three-month period ended 30 September 2025 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Insurance revenue from contracts measured under PAA</b>	<b>120,395,934</b>	<b>97,383,604</b>	<b>13,028,379</b>	<b>5,769,179</b>	<b>7,902,634</b>	<b>13,262,311</b>	<b>372,816</b>	<b>258,114,857</b>
Incurred claims and other incurred insurance service expenses	(96,513,856)	(102,092,696)	(3,901,669)	(573,043)	(989,610)	(5,444,342)	(86,633)	(209,601,849)
Reversal of losses (losses) on onerous contracts	6,744,814	(1,788,717)	-	-	-	-	-	4,956,097
Changes that relate to past service - adjustments to the LIC	635,726	(1,982,092)	(1,758,741)	2,220,408	1,884,662	123,690	(50,450)	1,073,203
Insurance acquisition cash flows amortisation	(19,204,438)	(22,284,103)	(3,301,962)	(1,420,671)	(1,678,064)	(1,837,454)	(168,382)	(49,895,074)
<b>Total insurance service (expenses) / income</b>	<b>(108,337,754)</b>	<b>(128,147,608)</b>	<b>(8,962,372)</b>	<b>226,694</b>	<b>(783,012)</b>	<b>(7,158,106)</b>	<b>(305,465)</b>	<b>(253,467,623)</b>

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(All amounts expressed in Saudi Riyals unless otherwise stated)

**11 Insurance revenue and expenses (continued)**

**For the three-month period ended 30 September 2025 (Unaudited):** (continued)

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Reinsurance income - contracts measured under the PAA</b>								
Reinsurance premium ceded	(9,484,886)	(2,469,880)	(4,179,377)	(3,359,246)	(4,895,824)	(10,342,629)	(307,786)	(35,039,628)
Claims recovered and other directly attributable expenses	-	-	776,360	375,473	518,212	4,641,096	21,930	6,333,071
Effect of changes in the risk of reinsurers non-performance	(265,352)	(28,611)	145,455	(6,590)	25,619	63,563	-	(65,916)
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	-	-
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	6,545,414	1,740,858	391,396	(1,159,826)	(1,494,865)	(90,949)	44	5,932,072
Changes in reinsurance due to adjustment premiums	(1,185,042)	-	-	-	-	-	-	(1,185,042)
<b>Net expenses from reinsurance contracts</b>	<b>(4,389,866)</b>	<b>(757,633)</b>	<b>(2,866,166)</b>	<b>(4,150,189)</b>	<b>(5,846,858)</b>	<b>(5,728,919)</b>	<b>(285,812)</b>	<b>(24,025,443)</b>
<b>Insurance service result from Company's directly written business</b>	<b>7,668,314</b>	<b>(31,521,637)</b>	<b>1,199,841</b>	<b>1,845,684</b>	<b>1,272,764</b>	<b>375,286</b>	<b>(218,461)</b>	<b>(19,378,209)</b>
Share of surplus from insurance pools	-	-	-	-	-	-	-	-
<b>Total insurance service result</b>	<b>7,668,314</b>	<b>(31,521,637)</b>	<b>1,199,841</b>	<b>1,845,684</b>	<b>1,272,764</b>	<b>375,286</b>	<b>(218,461)</b>	<b>(19,378,209)</b>

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(All amounts expressed in Saudi Riyals unless otherwise stated)

**11 Insurance revenue and expenses (continued)****For the three-month period ended 30 September 2024 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Insurance revenue from contracts measured under PAA</b>	90,403,907	87,603,940	13,177,537	4,761,529	6,655,020	7,394,370	8,208	210,004,511
Incurring claims and other incurred insurance service expenses	(66,710,957)	(61,283,518)	(14,196,260)	(3,010,368)	(1,075,099)	(5,442,160)	(119,187)	(151,837,549)
(Losses) reversal of losses on onerous contracts	(1,158,744)	(597,583)	-	-	-	-	-	(1,756,327)
Changes that relate to past service - adjustments to the LIC	(2,300,993)	4,367,380	(129,807)	(1,214,657)	12,624	1,184,687	(120,556)	1,798,678
Insurance acquisition cash flows amortisation	(11,783,662)	(23,198,273)	(3,259,804)	(1,247,055)	(1,049,874)	(1,452,012)	(38,399)	(42,029,079)
<b>Total insurance service expenses</b>	<b>(81,954,356)</b>	<b>(80,711,994)</b>	<b>(17,585,871)</b>	<b>(5,472,080)</b>	<b>(2,112,349)</b>	<b>(5,709,485)</b>	<b>(278,142)</b>	<b>(193,824,277)</b>

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(All amounts expressed in Saudi Riyals unless otherwise stated)

**11 Insurance revenue and expenses (continued)**

**For the three-month period ended 30 September 2024 (Unaudited):** (continued)

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Reinsurance income - contracts measured under the PAA</b>								
Reinsurance premium ceded	(3,449,149)	(1,563,629)	(4,231,879)	(3,897,818)	(4,079,223)	(7,787,342)	104,202	(24,904,838)
Claims recovered and other directly attributable expenses	5,257,329	1,816,552	5,098,086	2,016,548	635,838	4,454,789	42,684	19,321,826
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	-	-	-	-
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	(1,662,850)	(1,185,997)	894,290	938,612	(10,126)	(1,140,547)	11,735	(2,154,883)
Changes in reinsurance due to adjustment premiums	(1,249,351)	-	-	-	-	-	-	(1,249,351)
<b>Total net expenses from reinsurance contracts</b>	<b>(1,104,021)</b>	<b>(933,074)</b>	<b>1,760,497</b>	<b>(942,658)</b>	<b>(3,453,511)</b>	<b>(4,473,100)</b>	<b>158,620</b>	<b>(8,987,246)</b>
<b>Insurance service result from Company's directly written business</b>	<b>7,345,530</b>	<b>5,958,872</b>	<b>(2,647,837)</b>	<b>(1,653,209)</b>	<b>1,089,160</b>	<b>(2,788,215)</b>	<b>(111,313)</b>	<b>7,192,988</b>
Share of surplus from insurance pools	-	-	-	-	-	-	-	41,875
<b>Total insurance service result</b>	<b>7,345,530</b>	<b>5,958,872</b>	<b>(2,647,837)</b>	<b>(1,653,209)</b>	<b>1,089,160</b>	<b>(2,788,215)</b>	<b>(111,313)</b>	<b>7,234,863</b>

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(All amounts expressed in Saudi Riyals unless otherwise stated)

**11 Insurance revenue and expenses (continued)**

**For the nine-month period ended 30 September 2025 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Insurance revenue from contracts measured under PAA</b>	<b>355,800,392</b>	<b>289,206,961</b>	<b>42,629,719</b>	<b>16,093,126</b>	<b>21,381,506</b>	<b>40,851,608</b>	<b>372,816</b>	<b>766,336,128</b>
Incurred claims and other incurred insurance service expenses	(312,717,703)	(283,453,785)	(14,385,854)	(4,784,350)	(3,946,962)	(14,208,154)	(86,633)	(633,583,441)
Reversal of losses (losses) on onerous contracts	7,521,628	(26,957,463)	-	-	-	-	-	(19,435,835)
Changes that relate to past service - adjustments to the LIC	(995,295)	7,811,231	(5,164,010)	4,556,537	2,699,295	906,587	(50,450)	9,763,895
Insurance acquisition cash flows amortisation	(52,592,129)	(68,644,881)	(9,434,069)	(4,101,096)	(4,614,741)	(6,135,789)	(168,382)	(145,691,087)
<b>Total insurance service expenses</b>	<b>(358,783,499)</b>	<b>(371,244,898)</b>	<b>(28,983,933)</b>	<b>(4,328,909)</b>	<b>(5,862,408)</b>	<b>(19,437,356)</b>	<b>(305,465)</b>	<b>(788,946,468)</b>

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(All amounts expressed in Saudi Riyals unless otherwise stated)

**11 Insurance revenue and expenses (continued)**

**For the nine-month period ended 30 September 2025 (Unaudited):** (continued)

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Reinsurance income - contracts measured under the PAA</b>								
Reinsurance premium ceded	(27,082,773)	(7,409,639)	(13,694,253)	(10,290,763)	(13,181,156)	(28,016,219)	(307,786)	(99,982,589)
Claims recovered and other directly attributable expenses	-	-	3,160,449	3,022,480	2,422,623	12,009,443	21,930	20,636,925
Effect of changes in the risk of reinsurers non-performance	(2,178,489)	(260,395)	181,273	(202,439)	(191,195)	(238,313)	-	(2,889,558)
Loss-recovery on onerous underlying contracts	-	-	-	-	-	-	-	-
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	18,290,887	3,591,959	1,614,660	(3,623,441)	(2,233,724)	(607,794)	37,823	17,070,370
Changes in reinsurance due to adjustment premiums	(500,254)	-	-	-	-	-	-	(500,254)
<b>Net expenses from reinsurance contracts</b>	<b>(11,470,629)</b>	<b>(4,078,075)</b>	<b>(8,737,871)</b>	<b>(11,094,163)</b>	<b>(13,183,452)</b>	<b>(16,852,883)</b>	<b>(248,033)</b>	<b>(65,665,106)</b>
<b>Insurance service result from Company's directly written business</b>	<b>(14,453,736)</b>	<b>(86,116,012)</b>	<b>4,907,915</b>	<b>670,054</b>	<b>2,335,646</b>	<b>4,561,369</b>	<b>(180,682)</b>	<b>(88,275,446)</b>
Share of surplus from insurance pools	-	-	-	-	-	-	-	2,653,759
<b>Total insurance service result</b>	<b>(14,453,736)</b>	<b>(86,116,012)</b>	<b>4,907,915</b>	<b>670,054</b>	<b>2,335,646</b>	<b>4,561,369</b>	<b>(180,682)</b>	<b>(85,621,687)</b>

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(All amounts expressed in Saudi Riyals unless otherwise stated)

**11 Insurance revenue and expenses (continued)****For the nine-month period ended 30 September 2024 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Insurance revenue from contracts measured under PAA</b>	222,062,354	251,029,913	40,145,850	15,549,861	18,946,906	19,864,062	880,686	568,479,632
Incurring claims and other incurred insurance service expenses	(175,229,803)	(185,090,954)	(31,254,901)	(5,762,358)	(3,403,268)	(9,918,998)	(169,480)	(410,829,762)
(Losses) reversal of the losses on onerous contracts	(3,390,500)	6,767,616	-	-	-	-	-	3,377,116
Changes that relate to past service - adjustments to the LIC	1,851,165	34,835,402	(421,928)	(2,197,354)	3,791,403	(1,010,178)	119,096	36,967,606
Insurance acquisition cash flows amortisation	(31,334,375)	(64,326,709)	(10,394,552)	(3,504,949)	(3,561,780)	(4,863,113)	(152,760)	(118,138,238)
<b>Total insurance service expenses</b>	<b>(208,103,513)</b>	<b>(207,814,645)</b>	<b>(42,071,381)</b>	<b>(11,464,661)</b>	<b>(3,173,645)</b>	<b>(15,792,289)</b>	<b>(203,144)</b>	<b>(488,623,278)</b>

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**11 Insurance revenue and expenses (continued)**

**For the nine-month period ended 30 September 2024 (Unaudited): (continued)**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Reinsurance income - contracts measured under the PAA</b>								
Reinsurance premium ceded	(14,442,920)	(6,607,321)	(9,927,223)	(9,659,093)	(10,002,875)	(20,004,542)	(551,350)	(71,195,324)
Claims recovered and other directly attributable expenses	9,402,031	1,794,515	9,240,914	3,746,008	1,902,678	7,314,756	42,683	33,443,585
Effect of changes in the risk of reinsurers non-performance	(177,063)	-	-	-	-	-	-	(177,063)
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	(1,818,833)	(1,919,602)	2,107,059	2,012,290	(2,521,663)	991,360	3,558	(1,145,831)
Changes in reinsurance due to adjustment premiums	(2,089,696)	-	-	-	-	-	-	(2,089,696)
<b>Total net expenses from reinsurance contracts</b>	<b>(9,126,481)</b>	<b>(6,732,408)</b>	<b>1,420,750</b>	<b>(3,900,795)</b>	<b>(10,621,860)</b>	<b>(11,698,426)</b>	<b>(505,109)</b>	<b>(41,164,329)</b>
<b>Insurance service result from Company's directly written business</b>	<b>4,832,360</b>	<b>36,482,860</b>	<b>(504,781)</b>	<b>184,405</b>	<b>5,151,401</b>	<b>(7,626,653)</b>	<b>172,433</b>	<b>38,692,025</b>
Share of surplus from insurance pools	-	-	-	-	-	-	-	4,079,983
<b>Total insurance service result</b>	<b>4,832,360</b>	<b>36,482,860</b>	<b>(504,781)</b>	<b>184,405</b>	<b>5,151,401</b>	<b>(7,626,653)</b>	<b>172,433</b>	<b>42,772,008</b>

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**12 Insurance finance expenses - net**

An analysis of the net insurance finance (expense) income by product line for the three-month and nine-month periods ended 30 September 2025 and 2024 respectively, is presented below:

**For the three-month period ended 30 September 2025 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Finance expense from insurance contracts issued</b>								
Interest (accreted) reversed	(3,216,651)	(315,866)	142,854	(205,403)	(95,372)	42,402	1,131	(3,646,905)
Effects of changes in interest rates and other financial assumptions	(6,731)	(1,074)	1,103	(1,962)	(779)	80	10	(9,353)
Foreign exchange differences	-	-	-	-	-	-	-	-
<b>Finance (expense) income from insurance contracts issued</b>	<b>(3,223,382)</b>	<b>(316,940)</b>	<b>143,957</b>	<b>(207,365)</b>	<b>(96,151)</b>	<b>42,482</b>	<b>1,141</b>	<b>(3,656,258)</b>
<b>Finance income from reinsurance contracts held</b>								
Interest (accreted) reversed	-	(22,468)	(38,741)	101,864	80,563	(39,146)	(950)	81,122
Effects of changes in interest rates and other financial assumptions	-	(95)	(318)	1,076	665	(79)	(9)	1,240
Foreign exchange differences	-	-	-	-	-	-	-	-
<b>Finance (expense) income from reinsurance contracts held</b>	<b>-</b>	<b>(22,563)</b>	<b>(39,059)</b>	<b>102,940</b>	<b>81,228</b>	<b>(39,225)</b>	<b>(959)</b>	<b>82,362</b>
<b>Net insurance finance (expense) income</b>	<b>(3,223,382)</b>	<b>(339,503)</b>	<b>104,898</b>	<b>(104,425)</b>	<b>(14,923)</b>	<b>3,257</b>	<b>182</b>	<b>(3,573,896)</b>

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(All amounts expressed in Saudi Riyals unless otherwise stated)

**12 Insurance finance expense - net (continued)****For the three-month period ended 30 September 2024 (Unaudited):**

	<b>Medical</b>	<b>Motor</b>	<b>General Accident &amp; Liability</b>	<b>Engineering</b>	<b>Property</b>	<b>Marine</b>	<b>Protection</b>	<b>Total</b>
<b>Finance expenses from insurance contracts issued</b>								
Interest reversed (accreted)	(899,475)	(763,341)	(234,481)	31,492	9,031	(230,507)	14,851	(2,072,430)
Effects of changes in interest rates and other financial assumptions	(6,817)	(12,732)	901	8,240	(528)	(616)	(98)	(11,650)
<b>Finance (expenses) income from insurance contracts issued</b>	<b>(906,292)</b>	<b>(776,073)</b>	<b>(233,580)</b>	<b>39,732</b>	<b>8,503</b>	<b>(231,123)</b>	<b>14,753</b>	<b>(2,084,080)</b>
<b>Finance income from reinsurance contracts held</b>								
Interest reversed (accreted)	(1,152)	33,968	(3,102)	64,570	(5,750)	172,806	(3,358)	257,982
Effects of changes in interest rates and other financial assumptions	1,152	353	(2,077)	(6,832)	332	438	(11)	(6,645)
<b>Finance income (expenses) from reinsurance contracts held</b>	<b>-</b>	<b>34,321</b>	<b>(5,179)</b>	<b>57,738</b>	<b>(5,418)</b>	<b>173,244</b>	<b>(3,369)</b>	<b>251,337</b>
<b>Net insurance finance (expenses) income</b>	<b>(906,292)</b>	<b>(741,752)</b>	<b>(238,759)</b>	<b>97,470</b>	<b>3,085</b>	<b>(57,879)</b>	<b>11,384</b>	<b>(1,832,743)</b>

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**12 Insurance finance expense - net (continued)**

**For the nine-month period ended 30 September 2025 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total
<b>Finance expense from insurance contracts issued</b>								
Interest (accreted) reversed	(2,297,774)	(130,930)	194,861	(320,488)	(112,539)	79,695	3,081	(2,584,094)
Effects of changes in interest rates and other financial assumptions	(5,294)	(507)	1,423	(2,837)	(896)	113	22	(7,976)
Foreign exchange differences	-	-	-	-	-	-	-	-
<b>Finance (expense) income from insurance contracts issued</b>	<b>(2,303,068)</b>	<b>(131,437)</b>	<b>196,284</b>	<b>(323,325)</b>	<b>(113,435)</b>	<b>79,808</b>	<b>3,103</b>	<b>(2,592,070)</b>
<b>Finance income from reinsurance contracts held</b>								
Interest (accreted) reversed	-	(32,519)	(68,719)	242,120	100,042	(83,251)	(2,267)	155,406
Effects of changes in interest rates and other financial assumptions	-	(126)	(502)	2,143	797	(118)	(17)	2,177
Foreign exchange differences	-	-	-	-	-	-	-	-
<b>Finance (expense) income from reinsurance contracts held</b>	<b>-</b>	<b>(32,645)</b>	<b>(69,221)</b>	<b>244,263</b>	<b>100,839</b>	<b>(83,369)</b>	<b>(2,284)</b>	<b>157,583</b>
<b>Net insurance finance (expense) income</b>	<b>(2,303,068)</b>	<b>(164,082)</b>	<b>127,063</b>	<b>(79,062)</b>	<b>(12,596)</b>	<b>(3,561)</b>	<b>819</b>	<b>(2,434,487)</b>

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**12 Insurance finance expense - net (continued)****For the nine-month period ended 30 September 2024 (Unaudited):**

	<b>Medical</b>	<b>Motor</b>	<b>General Accident &amp; Liability</b>	<b>Engineering</b>	<b>Property</b>	<b>Marine</b>	<b>Protection</b>	<b>Total</b>
<b>Finance (expense) income from insurance contracts issued</b>								
Interest (accreted) reversed	(1,604,607)	(2,156,654)	(75,912)	530,288	(34,481)	(241,765)	2,420	(3,580,711)
Effects of changes in interest rates and other financial assumptions	(5,794)	(9,462)	(573)	4,368	(262)	(589)	18	(12,294)
<b>Finance (expense) income from insurance contracts issued</b>	<b>(1,610,401)</b>	<b>(2,166,116)</b>	<b>(76,485)</b>	<b>534,656</b>	<b>(34,743)</b>	<b>(242,354)</b>	<b>2,438</b>	<b>(3,593,005)</b>
<b>Finance income (expense) from reinsurance contracts held</b>								
Interest reversed (accreted)	227,353	64,118	(124,966)	(395,642)	21,680	176,384	(2,480)	(33,553)
Effects of changes in interest rates and other financial assumptions	821	281	(944)	(3,259)	164	429	(19)	(2,527)
<b>Finance income (expense) from reinsurance contracts held</b>	<b>228,174</b>	<b>64,399</b>	<b>(125,910)</b>	<b>(398,901)</b>	<b>21,844</b>	<b>176,813</b>	<b>(2,499)</b>	<b>(36,080)</b>
<b>Net insurance finance (expense) income</b>	<b>(1,382,227)</b>	<b>(2,101,717)</b>	<b>(202,395)</b>	<b>135,755</b>	<b>(12,899)</b>	<b>(65,541)</b>	<b>(61)</b>	<b>(3,629,085)</b>

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**13 Share of surplus from insurance pools**

**13.1 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 1 January 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 1 January 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 as at 30 September 2025 and as the aforementioned arrangement has been discontinued. The Company's share of income in the Hajj and Umrah scheme is derived from insurance revenues of Saudi Riyals Nil and Saudi Riyals 1.1 million and net expenses of Saudi Riyals Nil and Saudi Riyals 0.5 million for the three-month and nine-month periods ended 30 September 2025, respectively (Saudi Riyals Nil and Saudi Riyals 22.0 million, respectively, for the three-month period ended 30 September 2024 and Saudi Riyals Nil and Saudi Riyals 18.5 million, respectively, for the nine-month period ended 30 September 2024).

**13.2 Share of surplus from Inherent defects insurance**

This represents the Company's share of surplus 5.13% (2024: 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 nine-month period ended 30 September 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 1.20%.

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 441/187 of the Governor of SAMA dated 05/08/1441 AH (corresponding to 29/03/2020).

**13.3 Rights and Entitlements of Non-Saudi Employees in Private Sector Entities Insurance**

The Company along with eighteen 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 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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**14 Commitments and contingencies**

1. The Company, in common with significant majority of insurers, is subject to litigation in the normal course of its business relating to policy holders' insurance claims. The Company, based on independent legal advice, does not believe that the outcome of these cases will have a material impact on the Company's financial performance.
2. As at 30 September 2025 the Company has capital commitments amounting to Saudi Riyals 23 million pertaining to implementation of a new software (31 December 2024: Saudi Riyals 26.1 million).
3. See Note 19 for contingencies pertaining to zakat and income tax assessments.
4. The Company operates in the insurance industry and is subject to legal proceedings in the ordinary course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings. The Company, based on in-house legal advice, does not believe that such proceedings (including litigations) will have a material effect on its results and financial position.

**15 Fair value of financial instruments**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction takes place either:

- in the accessible principal market for the asset or liability, or
- in the absence of a principal market, in the most advantages accessible market for the asset or liability.

The fair values of on-balance sheet financial instruments that are not carried at fair value are not significantly different from their carrying amounts included in the interim condensed financial information.

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.

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**15 Fair value of financial instruments (continued)**

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.

(a) *Carrying amounts and fair value*

<b>30 September 2025 (Unaudited)</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	<b>73,148,568</b>	-	-	<b>73,148,568</b>
Ordinary shares	<b>37,881,517</b>	-	<b>127,327,274</b>	<b>165,208,791</b>
Sukuks	<b>22,929,625</b>	-	-	<b>22,929,625</b>
<b>Total investments</b>	<b>133,959,710</b>	-	<b>127,327,274</b>	<b>261,286,984</b>
<b>31 December 2024 (Audited)</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>

Specific valuation techniques used by management's independent experts to value financial instruments in Level 3 i.e. Najm, are as follows:

- **Discounted cashflows ("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 result 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.

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**15 Fair value of financial instruments** (continued)

*(a) Carrying amounts and fair value (continued)*

A weight of 60% and 40% (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% (2024: 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 categorised within Level 3 of the fair value hierarchy*

	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at the beginning of the period / year	<b>122,247,674</b>	86,968,505
Unrealised gain on fair value of FVOCI	<b>5,079,600</b>	35,279,169
Balance at the end of the period / year	<b>127,327,274</b>	122,247,674

Such unrealised gain on fair value of FVOCI is routed through other comprehensive income

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**15 Fair value of financial instruments** (continued)

(c) The below table shows significant unobservable inputs used in the valuation of level 3 investments and their respective sensitivities.

	Fair value		Unobservable inputs		Range of inputs		Relationship of Unobservable input to Fair value
	30 September 2025 (Unaudited)	31 December 2024 (Audited)	30 September 2025 (Unaudited)	31 December 2024 (Audited)	30 September 2025 (Unaudited)	31 December 2024 (Audited)	
Unquoted equity investment in Najm	<b>127,327,274</b>	122,247,674	<b>Revenue growth rate</b>	Revenue growth rate	<b>9%</b>	9.9%	Reducing the revenue growth rate by 1 percent, would decrease the fair value by Saudi Riyals 1.2 million. (2024: Saudi Riyals 1.2 million)
			<b>WACC</b>	WACC	<b>16.5%</b>	16.5%	Increasing the WACC by 1 percent, would decrease the fair value by Saudi Riyals 3.6 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 2.2 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 6.3, would decrease the fair value by Saudi Riyals 3.6 million (2024: Saudi Riyals 2.9 million).

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

(d) *Valuation process*

The finance department of the Company performs the valuations of level 3 fair values required for financial reporting purposes. This team reports directly to the Chief Financial Officer (CFO), Investment Committee and the Audit Committee. Discussions of valuation processes and results are held between the CFO, AC, Investment Committee and the Finance team regularly. The main level 3 inputs used by the Company are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Terminal value growth rate is derived from publicly available databases.
- Earnings growth factors for unlisted equity securities are estimated based on such Company's own historical result

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#### **16 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 statement of income in the interim condensed financial information.

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 interim condensed statement of income and other comprehensive income and interim condensed 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 11, 12 and 17 for such analysis.

#### **17 Information related to product lines**

Results of product lines do not include other operating expenses, other income, investment income on financial assets measured at FVTPL, interest income on financial assets not measured at FVTPL, net credit impairment losses, dividend income and share of surplus from insurance pool. Accordingly, these are included in unallocated.

Product lines' assets do not include cash and cash equivalents, prepaid expenses and other assets, term deposits, property and equipment, right-of-use assets, intangible assets, goodwill, statutory deposit, accrued income on statutory deposit. Accordingly, they are included in unallocated assets.

Product lines' liabilities do not include accrued and other liabilities, lease liabilities, employee benefit obligations, zakat and income tax and accrued commission income payable to Insurance Authority. Accordingly, they are included in unallocated liabilities.

The Company's information is presented into business units based on their products and services in the following product lines:

- Medical;
- Motor;
- General Accident & Liability;
- Engineering;
- Property;
- Marine; and
- Protection.

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**17 Information related to product lines (continued)**

<b>30 September 2025 (Unaudited)</b>	<b>Medical</b>	<b>Motor</b>	<b>General Accident &amp; Liability</b>	<b>Engineering</b>	<b>Property</b>	<b>Marine</b>	<b>Protection</b>	<b>Total</b>	<b>Unallocated</b>	<b>Total</b>
<b>Assets</b>										
Reinsurance contract assets	731,481	4,539,511	9,096,249	14,504,008	6,004,269	25,927,353	168,252	60,971,123	-	60,971,123
Unallocated assets	-	-	-	-	-	-	-	-	1,085,724,178	1,085,724,178
<b>Total assets</b>	<b>731,481</b>	<b>4,539,511</b>	<b>9,096,249</b>	<b>14,504,008</b>	<b>6,004,269</b>	<b>25,927,353</b>	<b>168,252</b>	<b>60,971,123</b>	<b>1,085,724,178</b>	<b>1,146,695,301</b>
<b>Liabilities</b>										
Insurance contract liabilities	221,476,336	195,636,465	54,883,200	21,109,499	11,365,901	28,809,210	281,686	533,562,297	-	533,562,297
Unallocated liabilities and equity	-	-	-	-	-	-	-	-	613,133,004	613,133,004
<b>Total liabilities and equity</b>	<b>221,476,336</b>	<b>195,636,465</b>	<b>54,883,200</b>	<b>21,109,499</b>	<b>11,365,901</b>	<b>28,809,210</b>	<b>281,686</b>	<b>533,562,297</b>	<b>613,133,004</b>	<b>1,146,695,301</b>

<b>31 December 2024 (Audited)</b>	<b>Medical</b>	<b>Motor</b>	<b>General Accident &amp; Liability</b>	<b>Engineering</b>	<b>Property</b>	<b>Marine</b>	<b>Protection</b>	<b>Total</b>	<b>Unallocated</b>	<b>Total</b>
<b>Assets</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	-	61,691,142
Unallocated assets	-	-	-	-	-	-	-	-	1,134,286,686	1,134,286,686
<b>Total assets</b>	<b>2,872,407</b>	<b>4,455,167</b>	<b>13,552,652</b>	<b>15,830,920</b>	<b>6,099,430</b>	<b>18,657,303</b>	<b>223,263</b>	<b>61,691,142</b>	<b>1,134,286,686</b>	<b>1,195,977,828</b>
<b>Liabilities</b>										
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	-	499,820,414
Unallocated liabilities and equity	-	-	-	-	-	-	-	-	696,157,414	696,157,414
<b>Total liabilities and equity</b>	<b>217,449,278</b>	<b>172,370,604</b>	<b>56,700,818</b>	<b>22,669,426</b>	<b>10,471,262</b>	<b>19,805,209</b>	<b>353,817</b>	<b>499,820,414</b>	<b>696,157,414</b>	<b>1,195,977,828</b>

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**17 Information related to product lines (continued)**

**For the three-month period ended 30 September 2025 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total	Unallocated	Total
Insurance revenue	120,395,934	97,383,604	13,028,379	5,769,179	7,902,634	13,262,311	372,816	258,114,857	-	258,114,857
Insurance service (expenses) / income	(108,337,754)	(128,147,608)	(8,962,372)	226,694	(783,012)	(7,158,106)	(305,465)	(253,467,623)	-	(253,467,623)
Net expenses from reinsurance contracts	(4,389,866)	(757,633)	(2,866,166)	(4,150,189)	(5,846,858)	(5,728,919)	(285,812)	(24,025,443)	-	(24,025,443)
<b>Insurance service result from Company's directly written business</b>	<b>7,668,314</b>	<b>(31,521,637)</b>	<b>1,199,841</b>	<b>1,845,684</b>	<b>1,272,764</b>	<b>375,286</b>	<b>(218,461)</b>	<b>(19,378,209)</b>	<b>-</b>	<b>(19,378,209)</b>
Share of surplus from insurance pools	-	-	-	-	-	-	-	-	-	-
<b>Total insurance service result</b>	<b>7,668,314</b>	<b>(31,521,637)</b>	<b>1,199,841</b>	<b>1,845,684</b>	<b>1,272,764</b>	<b>375,286</b>	<b>(218,461)</b>	<b>(19,378,209)</b>	<b>-</b>	<b>(19,378,209)</b>
Interest income from financial assets not measured at FVTPL	-	-	-	-	-	-	-	-	7,098,006	7,098,006
Interest income from financial assets measured at FVTPL	-	-	-	-	-	-	-	-	1,258,834	1,258,834
Net credit impairment reversal	-	-	-	-	-	-	-	-	4,759	4,759
Net gains on financial assets measured at FVTPL	-	-	-	-	-	-	-	-	4,803,572	4,803,572
Dividend income	-	-	-	-	-	-	-	-	686,690	686,690
<b>Net investment income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,851,861</b>	<b>13,851,861</b>
Finance (expense) income from insurance contracts issued	(3,223,382)	(316,940)	143,957	(207,365)	(96,151)	42,482	1,141	(3,656,258)	-	(3,656,258)
Finance (expense) income from reinsurance contracts held	-	(22,563)	(39,059)	102,940	81,228	(39,225)	(959)	82,362	-	82,362
<b>Net insurance finance (expense) income</b>	<b>(3,223,382)</b>	<b>(339,503)</b>	<b>104,898</b>	<b>(104,425)</b>	<b>(14,923)</b>	<b>3,257</b>	<b>182</b>	<b>(3,573,896)</b>	<b>-</b>	<b>(3,573,896)</b>
<b>Net insurance and investment result</b>	<b>4,444,932</b>	<b>(31,861,140)</b>	<b>1,304,739</b>	<b>1,741,259</b>	<b>1,257,841</b>	<b>378,543</b>	<b>(218,279)</b>	<b>(22,952,105)</b>	<b>13,851,861</b>	<b>(9,100,244)</b>
Finance cost on leases	-	-	-	-	-	-	-	-	(83,509)	(83,509)
Other operating expenses	-	-	-	-	-	-	-	-	(5,034,444)	(5,034,444)
<b>Total profit (loss) for the period before zakat and income tax</b>	<b>4,444,932</b>	<b>(31,861,140)</b>	<b>1,304,739</b>	<b>1,741,259</b>	<b>1,257,841</b>	<b>378,543</b>	<b>(218,279)</b>	<b>(22,952,105)</b>	<b>8,733,908</b>	<b>(14,218,197)</b>
Zakat expense	-	-	-	-	-	-	-	-	(2,700,000)	(2,700,000)
Income tax expense	-	-	-	-	-	-	-	-	-	-
<b>NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS</b>	<b>4,444,932</b>	<b>(31,861,140)</b>	<b>1,304,739</b>	<b>1,741,259</b>	<b>1,257,841</b>	<b>378,543</b>	<b>(218,279)</b>	<b>(22,952,105)</b>	<b>6,033,908</b>	<b>(16,918,197)</b>

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**17 Information related to product lines (continued)**

**For the three-month period ended 30 September 2024 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total Unallocated	Total
Insurance revenue	90,403,907	87,603,940	13,177,537	4,761,529	6,655,020	7,394,370	8,208	210,004,511	- 210,004,511
Insurance service expense	(81,954,356)	(80,711,994)	(17,585,871)	(5,472,080)	(2,112,349)	(5,709,485)	(278,142)	(193,824,277)	- (193,824,277)
Net (expense) income from reinsurance contracts	(1,104,021)	(933,074)	1,760,498	(942,658)	(3,453,511)	(4,473,100)	158,620	(8,987,246)	- (8,987,246)
<b>Insurance service result from Company's directly written business</b>	7,345,530	5,958,872	(2,647,836)	(1,653,209)	1,089,160	(2,788,215)	(111,314)	7,192,988	- 7,192,988
Share of surplus from insurance pools	-	-	-	-	-	-	-	-	41,875 41,875
<b>Total insurance service result</b>	7,345,530	5,958,872	(2,647,836)	(1,653,209)	1,089,160	(2,788,215)	(111,314)	7,192,988	41,875 7,234,863
Interest income from financial assets not measured at FVTPL	-	-	-	-	-	-	-	-	7,400,910 7,400,910
Interest income from financial assets measured at FVTPL	-	-	-	-	-	-	-	-	413,923 413,923
Net credit impairment reversal	-	-	-	-	-	-	-	-	936 936
Net gains on financial assets measured at FVTPL	-	-	-	-	-	-	-	-	4,494,853 4,494,853
Dividend income	-	-	-	-	-	-	-	-	329,275 329,275
<b>Net investment income</b>	-	-	-	-	-	-	-	-	12,639,897 12,639,897
Finance income (expense) from insurance contracts issued	(906,292)	(776,073)	(233,580)	39,732	8,503	(231,123)	14,753	(2,084,080)	- (2,084,080)
Finance income (expense) from reinsurance contracts held	-	34,321	(5,179)	57,738	(5,418)	173,244	(3,369)	251,337	- 251,337
<b>Net insurance finance (expense) income</b>	(906,292)	(741,752)	(238,759)	97,470	3,085	(57,879)	11,384	(1,832,743)	- (1,832,743)
<b>Net insurance and investment result</b>	6,439,238	5,217,120	(2,886,595)	(1,555,739)	1,092,245	(2,846,094)	(99,930)	5,360,245	12,681,772 18,042,017
Finance cost on leases	-	-	-	-	-	-	-	-	(121,646) (121,646)
Other operating expenses	-	-	-	-	-	-	-	-	(4,877,179) (4,877,179)
<b>Total profit (loss) for the period before zakat and income tax</b>	6,439,238	5,217,120	(2,886,595)	(1,555,739)	1,092,245	(2,846,094)	(99,930)	5,360,245	7,682,947 13,043,192
Zakat expense	-	-	-	-	-	-	-	-	(1,500,000) (1,500,000)
Income tax expense	-	-	-	-	-	-	-	-	- -
<b>NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS</b>	6,439,238	5,217,120	(2,886,595)	(1,555,739)	1,092,245	(2,846,094)	(99,930)	5,360,245	6,182,947 11,543,192

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**17 Information related to product lines (continued)**

**For the nine-month period ended 30 September 2025 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total Unallocated	Total
Insurance revenue	355,800,392	289,206,961	42,629,719	16,093,126	21,381,506	40,851,608	372,816	766,336,128	- 766,336,128
Insurance service expenses	(358,783,499)	(371,244,898)	(28,983,933)	(4,328,909)	(5,862,408)	(19,437,356)	(305,465)	(788,946,468)	- (788,946,468)
Net expenses from reinsurance contracts	(11,470,629)	(4,078,075)	(8,737,871)	(11,094,163)	(13,183,452)	(16,852,883)	(248,033)	(65,665,106)	- (65,665,106)
<b>Insurance service result from</b>									
<b>Company's directly written business</b>	(14,453,736)	(86,116,012)	4,907,915	670,054	2,335,646	4,561,369	(180,682)	(88,275,446)	- (88,275,446)
Share of surplus from insurance pools	-	-	-	-	-	-	-	- 2,653,759	2,653,759
<b>Total insurance service result</b>	<b>(14,453,736)</b>	<b>(86,116,012)</b>	<b>4,907,915</b>	<b>670,054</b>	<b>2,335,646</b>	<b>4,561,369</b>	<b>(180,682)</b>	<b>(88,275,446)</b>	<b>2,653,759 (85,621,687)</b>
Interest income from financial assets not measured at FVTPL	-	-	-	-	-	-	-	- 21,921,622	21,921,622
Interest income from financial assets measured at FVTPL	-	-	-	-	-	-	-	- 2,289,125	2,289,125
Net credit impairment losses	-	-	-	-	-	-	-	- (12,507)	(12,507)
Net gains on financial assets measured at FVTPL	-	-	-	-	-	-	-	- 6,947,577	6,947,577
Dividend income	-	-	-	-	-	-	-	- 1,462,041	1,462,041
<b>Net investment income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>- 32,607,858</b>	<b>32,607,858</b>
Finance (expense) income from insurance contracts issued	(2,303,068)	(131,437)	196,284	(323,325)	(113,435)	79,808	3,103	(2,592,070)	- (2,592,070)
Finance (expense) income from reinsurance contracts held	-	(32,645)	(69,221)	244,263	100,839	(83,369)	(2,284)	157,583	- 157,583
<b>Net insurance finance (expenses) income</b>	<b>(2,303,068)</b>	<b>(164,082)</b>	<b>127,063</b>	<b>(79,062)</b>	<b>(12,596)</b>	<b>(3,561)</b>	<b>819</b>	<b>(2,434,487)</b>	<b>- (2,434,487)</b>
<b>Net insurance and investment result</b>	<b>(16,756,804)</b>	<b>(86,280,094)</b>	<b>5,034,978</b>	<b>590,992</b>	<b>2,323,050</b>	<b>4,557,808</b>	<b>(179,863)</b>	<b>(90,709,933)</b>	<b>35,261,617 (55,448,316)</b>
Finance cost on leases	-	-	-	-	-	-	-	- (369,980)	(369,980)
Other operating expenses	-	-	-	-	-	-	-	- (20,829,113)	(20,829,113)
<b>Total (loss) profit for the period before zakat and income tax</b>	<b>(16,756,804)</b>	<b>(86,280,094)</b>	<b>5,034,978</b>	<b>590,992</b>	<b>2,323,050</b>	<b>4,557,808</b>	<b>(179,863)</b>	<b>(90,709,933)</b>	<b>14,062,524 (76,647,409)</b>
Zakat expense	-	-	-	-	-	-	-	- (8,100,000)	(8,100,000)
Income tax expense	-	-	-	-	-	-	-	-	-
<b>NET (LOSS) PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS</b>	<b>(16,756,804)</b>	<b>(86,280,094)</b>	<b>5,034,978</b>	<b>590,992</b>	<b>2,323,050</b>	<b>4,557,808</b>	<b>(179,863)</b>	<b>(90,709,933)</b>	<b>5,962,524 (84,747,409)</b>

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**17 Information related to product lines (continued)**

**For the nine-month period ended 30 September 2024 (Unaudited):**

	Medical	Motor	General Accident & Liability	Engineering	Property	Marine	Protection	Total	Unallocated	Total
Insurance revenue	222,062,354	251,029,913	40,145,850	15,549,861	18,946,906	19,864,062	880,686	568,479,632	-	568,479,632
Insurance service expenses	(208,103,513)	(207,814,645)	(42,071,381)	(11,464,661)	(3,173,645)	(15,792,289)	(203,144)	(488,623,278)	-	(488,623,278)
Net expenses from reinsurance contracts	(9,126,481)	(6,732,408)	1,420,750	(3,900,795)	(10,621,860)	(11,698,426)	(505,109)	(41,164,329)	-	(41,164,329)
<b>Insurance service result from Company's directly written business</b>	<b>4,832,360</b>	<b>36,482,860</b>	<b>(504,781)</b>	<b>184,405</b>	<b>5,151,401</b>	<b>(7,626,653)</b>	<b>172,433</b>	<b>38,692,025</b>	<b>-</b>	<b>38,692,025</b>
Share of surplus from insurance pools	-	-	-	-	-	-	-	-	4,079,983	4,079,983
<b>Total insurance service result</b>	<b>4,832,360</b>	<b>36,482,860</b>	<b>(504,781)</b>	<b>184,405</b>	<b>5,151,401</b>	<b>(7,626,653)</b>	<b>172,433</b>	<b>38,692,025</b>	<b>4,079,983</b>	<b>42,772,008</b>
Interest income from financial assets not measured at FVTPL	-	-	-	-	-	-	-	-	21,101,896	21,101,896
Interest income from financial assets measured at FVTPL	-	-	-	-	-	-	-	-	1,806,057	1,806,057
Net credit impairment reversal	-	-	-	-	-	-	-	-	2,110	2,110
Net gains on financial assets measured at FVTPL	-	-	-	-	-	-	-	-	2,176,423	2,176,423
Dividend income	-	-	-	-	-	-	-	-	1,215,192	1,215,192
<b>Net investment income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,301,678</b>	<b>26,301,678</b>
Finance (expenses) income from insurance contracts issued	(1,610,401)	(2,166,116)	(76,485)	534,656	(34,743)	(242,354)	2,438	(3,593,005)	-	(3,593,005)
Finance income (expenses) from reinsurance contracts held	228,174	64,399	(125,910)	(398,901)	21,844	176,813	(2,499)	(36,080)	-	(36,080)
<b>Net insurance finance (expenses) income</b>	<b>(1,382,227)</b>	<b>(2,101,717)</b>	<b>(202,395)</b>	<b>135,755</b>	<b>(12,899)</b>	<b>(65,541)</b>	<b>(61)</b>	<b>(3,629,085)</b>	<b>-</b>	<b>(3,629,085)</b>
<b>Net insurance and investment result</b>	<b>3,450,133</b>	<b>34,381,143</b>	<b>(707,176)</b>	<b>320,160</b>	<b>5,138,502</b>	<b>(7,692,194)</b>	<b>172,372</b>	<b>35,062,940</b>	<b>30,381,661</b>	<b>65,444,601</b>
Finance cost on leases	-	-	-	-	-	-	-	-	(372,534)	(372,534)
Other operating expenses	-	-	-	-	-	-	-	-	(20,992,253)	(20,992,253)
<b>Total profit (loss) for the period before zakat and income tax</b>	<b>3,450,133</b>	<b>34,381,143</b>	<b>(707,176)</b>	<b>320,160</b>	<b>5,138,502</b>	<b>(7,692,194)</b>	<b>172,372</b>	<b>35,062,940</b>	<b>9,016,874</b>	<b>44,079,814</b>
Zakat expense	-	-	-	-	-	-	-	-	(5,693,778)	(5,693,778)
Income tax expense	-	-	-	-	-	-	-	-	(212,351)	(212,351)
<b>NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS</b>	<b>3,450,133</b>	<b>34,381,143</b>	<b>(707,176)</b>	<b>320,160</b>	<b>5,138,502</b>	<b>(7,692,194)</b>	<b>172,372</b>	<b>35,062,940</b>	<b>3,110,745</b>	<b>38,173,685</b>

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**18 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:

Nature of transactions	Transactions for the three-month period ended		Transactions for the nine-month period ended	
	30 September 2025	30 September 2024	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Major shareholders</b>				
Gross premiums (forming part of insurance revenue)	<b>833,025</b>	809,530	<b>37,515,188</b>	31,831,002
Net claims paid (forming part of insurance service expenses)	<b>909,242</b>	108,573	<b>1,756,023</b>	2,060,042
Rent expense	-	-	<b>2,071,520</b>	-
Directors' remuneration and meeting fee	<b>192,000</b>	89,786	<b>3,509,500</b>	3,792,930
<b>Nature of balances</b>			<b>Balances</b>	
			<b>30 September 2025</b>	<b>31 December 2024</b>
			(Unaudited)	(Audited)
<b>Shareholders</b>				
Insurance contract liabilities (expected premium receipts)			<b>55,499,128</b>	25,899,394

The compensation of key management personnel during the three-month and nine-month periods ended is as follows:

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Salaries and benefits	<b>1,833,738</b>	1,734,475	<b>5,596,627</b>	4,872,235
Employee benefit obligations	<b>149,220</b>	251,871	<b>706,657</b>	849,349
	<b>1,982,958</b>	1,986,346	<b>6,303,284</b>	5,721,584

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.

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**19 Zakat and Income Tax**

*a) Zakat and income tax*

Combined movement of zakat and income tax is as follows:

	<b>30 September 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Balance at beginning of the period / year	<b>15,575,348</b>	23,795,052
Provided during the period/year	<b>4,500,000</b>	5,212,350
Provided during the period/year for prior year	<b>3,600,000</b>	2,693,778
Payments during the period/year	<b>(9,084,755)</b>	(16,125,832)
Balance at end of the period / year	<b>14,590,593</b>	15,575,348

*b) Status of assessments*

In 2018, Al Ahlia received zakat and income tax assessments amounting to Saudi Riyals 2.1 million for 2011 and 2012 from Zakat, Tax and Customs Authority ("ZATCA"). Further, during 2020, Al Ahlia received assessments amounting to Saudi Riyals 9.5 million for the year 2015 through 2018. During the nine-month period ended 30 September 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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#### **20 Statutory reserve**

In accordance with By-laws of the Company and Article 70(2)(g) of the Implementing Regulations for Co-operative Insurance Companies issued by the Insurance Authority, formerly 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.

#### **21 Capital risk management**

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 30 September 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 Regulations, the Company shall maintain a solvency margin equivalent to the highest of the following three methods:

- Minimum capital requirement;
- Premium solvency margin; or
- Claims solvency margin.

As of 30 September 2025, the Company is in compliance with the minimum solvency margin as required by the Implementing Regulations of the Cooperative Insurance Companies Control Law.

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**22 Basic and diluted earnings per share**

Basic and diluted earnings per share for the three-month and nine-month periods ended 30 September 2025 and 2024 is calculated by dividing net (loss) profit for the period attributable to the shareholders by the weighted average number of outstanding shares during the period.

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net (loss) profit for the period attributable to the shareholders	(16,918,197)	11,543,192	(84,747,409)	38,173,685
Weighted average number of ordinary shares for basic and diluted income per share	45,894,928	45,894,928	45,894,928	45,894,928
Basic and diluted (losses) earnings per share	(0.37)	0.25	(1.85)	0.83

**23 Gross written premium**

Details relating to gross written premium are disclosed below to comply with the requirements of the Insurance Authority and are not calculated as per the requirements of IFRS 17.

**For the three-month period ended:**

30 September 2025 (Unaudited)						
Breakdown of GWP	Medical	Motor	Property & casualty	Protection & Savings		Total
				Individual	Group (Term life)	
Retail	12,643,338	36,363,760	5,822,615	-	-	54,829,713
Very small	14,398,551	1,584,047	1,188,051	-	-	17,170,649
Small	3,019,843	5,262,434	3,287,594	-	-	11,569,871
Medium	532,989	10,101,386	10,869,968	-	-	21,504,343
Corporate	68,250,629	11,478,973	13,593,790	-	-	93,323,392
Total	98,845,350	64,790,600	34,762,018	-	-	198,397,968

30 September 2024 (Unaudited)						
Breakdown of GWP	Medical	Motor	Property & casualty	Protection & Savings		Total
				Individual	Group (Term life)	
Retail	11,593,066	45,823,971	6,688,939	-	-	64,105,976
Very small	21,877,619	899,216	656,678	-	-	23,433,513
Small	5,503,352	8,091,209	2,185,235	-	-	15,779,796
Medium	400,146	8,161,155	7,506,055	-	-	16,067,356
Corporate	83,621,545	14,418,173	13,706,148	-	-	111,745,866
Total	122,995,728	77,393,724	30,743,055	-	-	231,132,507

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**23 Gross written premium (continued)**

**For the nine-month period ended:**

<b>30 September 2025 (Unaudited)</b>						
<b>Breakdown of GWP</b>	<b>Medical</b>	<b>Motor</b>	<b>Property &amp; casualty</b>	<b>Protection &amp; Savings</b>		<b>Total</b>
				<b>Individual</b>	<b>Group (Term life)</b>	
<b>Retail</b>	<b>40,101,355</b>	<b>121,883,875</b>	<b>16,962,300</b>	-	-	<b>178,947,530</b>
<b>Very small</b>	<b>41,973,127</b>	<b>5,122,298</b>	<b>4,898,397</b>	-	-	<b>51,993,822</b>
<b>Small</b>	<b>8,120,322</b>	<b>27,220,828</b>	<b>9,799,021</b>	-	-	<b>45,140,171</b>
<b>Medium</b>	<b>1,865,192</b>	<b>48,490,726</b>	<b>33,088,922</b>	-	-	<b>83,444,840</b>
<b>Corporate</b>	<b>260,409,919</b>	<b>68,376,256</b>	<b>84,357,089</b>	-	-	<b>413,143,264</b>
<b>Total</b>	<b>352,469,915</b>	<b>271,093,983</b>	<b>149,105,729</b>	-	-	<b>772,669,627</b>

<b>30 September 2024 (Unaudited)</b>						
<b>Breakdown of GWP</b>	<b>Medical</b>	<b>Motor</b>	<b>Property &amp; casualty</b>	<b>Protection &amp; Savings</b>		<b>Total</b>
				<b>Individual</b>	<b>Group (Term life)</b>	
<b>Retail</b>	<b>50,511,314</b>	<b>97,613,875</b>	<b>20,535,022</b>	-	-	<b>168,660,211</b>
<b>Very small</b>	<b>34,589,964</b>	<b>28,057,426</b>	<b>1,181,511</b>	-	-	<b>63,828,901</b>
<b>Small</b>	<b>10,063,447</b>	<b>20,492,550</b>	<b>7,132,625</b>	-	-	<b>37,688,622</b>
<b>Medium</b>	<b>3,494,891</b>	<b>42,231,744</b>	<b>25,693,093</b>	-	-	<b>71,419,728</b>
<b>Corporate</b>	<b>226,137,492</b>	<b>70,252,236</b>	<b>66,974,499</b>	-	-	<b>363,364,227</b>
<b>Total</b>	<b>324,797,108</b>	<b>258,647,831</b>	<b>121,516,750</b>	-	-	<b>704,961,689</b>

**24 Net written premium**

Details relating to net written premium are disclosed below to comply with the requirements of the Insurance Authority and are not calculated as per the requirements of IFRS 17.

**For the three-month period ended:**

<b>30 September 2025 (Unaudited)</b>						
<b>Item</b>	<b>Medical</b>	<b>Motor</b>	<b>Property &amp; casualty</b>	<b>Protection &amp; Savings</b>		<b>Total</b>
				<b>Individual</b>	<b>Group (Term life)</b>	
<b>Gross written premium</b>	<b>98,845,350</b>	<b>64,790,600</b>	<b>34,762,018</b>	-	-	<b>198,397,968</b>
<b>Reinsurance premium ceded - globally (including excess of loss)</b>	<b>(6,980,945)</b>	<b>(1,728,917)</b>	<b>(15,309,925)</b>	-	-	<b>(24,019,787)</b>
<b>Reinsurance premium ceded - locally (including excess of loss)</b>	<b>(2,503,940)</b>	<b>(740,964)</b>	<b>(5,555,010)</b>	-	-	<b>(8,799,914)</b>
<b>Net written premium - total</b>	<b>89,360,465</b>	<b>62,320,719</b>	<b>13,897,083</b>	-	-	<b>165,578,267</b>

<b>30 September 2024 (Unaudited)</b>						
<b>Item</b>	<b>Medical</b>	<b>Motor</b>	<b>Property &amp; casualty</b>	<b>Protection &amp; Savings</b>		<b>Total</b>
				<b>Individual</b>	<b>Group (Term life)</b>	
<b>Gross written premium</b>	<b>122,995,728</b>	<b>77,393,724</b>	<b>30,743,055</b>	-	-	<b>231,132,507</b>
<b>Reinsurance premium ceded - globally (including excess of loss)</b>	<b>(2,258,593)</b>	<b>(1,531,657)</b>	<b>(14,659,393)</b>	-	-	<b>(18,449,643)</b>
<b>Reinsurance premium ceded - locally (including excess of loss)</b>	<b>(1,190,557)</b>	<b>(510,551)</b>	<b>(3,453,019)</b>	-	-	<b>(5,154,127)</b>
<b>Net written premium - total</b>	<b>119,546,578</b>	<b>75,351,516</b>	<b>12,630,643</b>	-	-	<b>207,528,737</b>

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**24 Net written premium (continued)**

**For the nine-month period ended:**

<b>30 September 2025 (Unaudited)</b>						
<b>Item</b>	<b>Medical</b>	<b>Motor</b>	<b>Property &amp; casualty</b>	<b>Protection &amp; Savings</b>		<b>Total</b>
				<b>Individual</b>	<b>Group (Term life)</b>	
Gross written premium	352,469,915	271,093,983	149,105,729	-	-	772,669,627
Reinsurance premium ceded - globally (including excess of loss)	(19,899,093)	(5,186,748)	(72,083,764)	-	-	(97,169,605)
Reinsurance premium ceded - locally (including excess of loss)	(7,183,679)	(2,222,892)	(32,902,785)	-	-	(42,309,356)
Net written premium - total	<b>325,387,143</b>	<b>263,684,343</b>	<b>44,119,180</b>	<b>-</b>	<b>-</b>	<b>633,190,666</b>

<b>30 September 2024 (Unaudited)</b>						
<b>Item</b>	<b>Medical</b>	<b>Motor</b>	<b>Property &amp; casualty</b>	<b>Protection &amp; Savings</b>		<b>Total</b>
				<b>Individual</b>	<b>Group (Term life)</b>	
Gross written premium	324,797,108	258,647,831	121,516,750	-	-	704,961,689
Reinsurance premium ceded - globally (including excess of loss)	(10,034,579)	(4,631,009)	(69,282,049)	-	-	(83,947,637)
Reinsurance premium ceded - locally (including excess of loss)	(4,408,342)	(1,543,667)	(13,706,263)	-	-	(19,658,272)
Net written premium - total	<b>310,354,187</b>	<b>252,473,155</b>	<b>38,528,438</b>	<b>-</b>	<b>-</b>	<b>601,355,780</b>

**25 Sensitivity of assumptions**

The risks under insurance contracts and the risk management policies are consistent with those as disclosed in the annual financial statements for the year ended 31 December 2024. The Company believes that the claim liabilities under insurance contracts outstanding at the reporting period below are adequate. However, these amounts are not certain, and actual payments may differ from the claim's liabilities provided in the interim condensed financial information. 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.

	<b>30 September 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<b>Liability for incurred claims</b>		
Estimates of present value of FCF	<b>348,304,458</b>	288,766,117
Risk adjustment for non-financial risk	<b>8,644,668</b>	7,467,962
<b>Asset for incurred claims</b>		
Estimates of present value of FCF	<b>64,743,090</b>	59,124,461
Risk adjustment for non-financial risk	<b>2,023,942</b>	1,677,555

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**25 Sensitivity of assumptions (continued)**

Following are the sensitivities derived for the portfolios computed under PAA approach before risk mitigation by reinsurance contracts held:

	<b>Impact on profit before zakat and income tax</b>	
	<b>30 September 2025</b>	<b>30 September 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Change in estimates of present value of FCF</b>		
Increase of 5% in the ultimate claims ratio	<b>(25,939,128)</b>	(13,697,724)
Decrease of 5% in the ultimate claims ratio	<b>23,564,212</b>	13,697,724
<b>Change in risk adjustment for non-financial risk</b>		
5 percentiles increase in the confidence level	<b>(432,881)</b>	314,129
5 percentiles decrease in the confidence level	<b>432,881</b>	(314,129)

Following are the sensitivities derived for the portfolios computed under PAA approach for the reinsurance contracts held:

	<b>Impact on profit before zakat and income tax</b>	
	<b>30 September 2025</b>	<b>30 September 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Change in estimates of present value of FCF</b>		
Increase of 5% in the ultimate claims ratio	<b>4,933,528</b>	2,657,535
Decrease of 5% in the ultimate claims ratio	<b>(4,478,507)</b>	(2,657,535)
<b>Change in risk adjustment for non-financial risk</b>		
5 percentiles increase in the confidence level	<b>532,531</b>	387,207
5 percentiles decrease in the confidence level	<b>(477,861)</b>	(347,456)

The following shows the impact of a reasonable possible change in direct expense ratio on the loss component as at the reporting date.

	<b>30 September 2025</b>	<b>30 September 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Impact on net income of change in direct expense ratio - loss component*</b>		
2% Increase	<b>1,691,264</b>	144,037
2% Decrease	<b>(1,755,988)</b>	(144,037)

\*Direct expense ratio is the ratio of sum of directly attributable expenses, acquisition cash flows and surplus for the period to earned premium.

**26 Subsequent event**

No events have arisen subsequent to 30 September 2025, and before the date of approval of this interim condensed financial information, that could have a significant effect on the interim condensed financial information.

**27 Approval of the interim condensed financial information**

This interim condensed financial information has been authorised for issue by the Board of Directors on 12 Jumada al-Ula 1447 H (corresponding to 3 November 2025).