WATANIYA INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

CONDENSED INTERIM FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REVIEW REPORT
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026

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INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The shareholders
Wataniya Insurance Company
(A Saudi Joint Stock Company)
Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying condensed statement of financial position of Wataniya Insurance Company (the "Company") as at June 30, 2026 and the related condensed statements of income and comprehensive income for the three-month and six-month periods then ended, and condensed statements of changes in equity and cash flows for the six-month period then ended and other explanatory notes (collectively referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements 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 these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", 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 condensed interim financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

for KPMG Professional Services Company

Abdullah Oudah Althagafi
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for PricewaterhouseCoopers

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August 10, 2026 G
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WATANIYA INSURANCE COMPANY
(A Saudi Joint Stock Company)
Condensed statement of financial position
As at June 30, 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS			
Cash and cash equivalents	5	**294,607**	102,074
Term deposits	6	**842,452**	755,640
Financial assets at fair value through profit or loss ("FVTPL")	7	**429,772**	402,388
Financial assets at amortised cost	8	**193,914**	127,899
Financial assets at fair value through other comprehensive income ("FVOCI")	9	**72,715**	72,715
Other receivables and prepaid expenses	10	**29,901**	21,286
Reinsurance contract assets	11	**478,022**	481,251
Right-of-use assets		**11,414**	3,041
Property and equipment		**11,474**	9,056
Intangible assets		**26,185**	28,142
Statutory deposit	12	**39,985**	39,983
Accrued income on statutory deposit	12	**1,498**	486
TOTAL ASSETS		**2,431,939**	2,043,961
LIABILITIES AND EQUITY			
LIABILITIES			
Accrued expenses and other liabilities	13	**40,067**	55,369
Insurance contract liabilities	11	**1,682,382**	1,287,963
Reinsurance contract liability	11	**-**	3,406
Lease liabilities		**9,488**	2,931
Zakat and income tax payable	14	**9,333**	15,057
Employee benefits obligations		**22,748**	20,762
Accrued income on statutory deposit	12	**1,498**	486
TOTAL LIABILITIES		**1,765,516**	1,385,974
EQUITY			
Share capital	15	**400,000**	400,000
Statutory reserve	16	**49,689**	49,689
Retained earnings		**145,942**	137,506
Fair value reserve for investments		**70,792**	70,792
TOTAL EQUITY		**666,423**	657,987
TOTAL LIABILITIES AND EQUITY		**2,431,939**	2,043,961

Managing Director & CEO

Chief Financial Officer

The accompanying notes 1 to 28 form an integral part of these condensed interim financial statements.

WATANIYA INSURANCE COMPANY
(A Saudi Joint Stock Company)
Condensed statement of income
For the three-month and six-month periods ended June 30, 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	**Three-month period ended June 30, 2026 (Unaudited)**	Three-month period ended June 30, 2025 (Unaudited)	**Six-month period ended June 30, 2026 (Unaudited)**	Six-month period ended June 30, 2025 (Unaudited)
Insurance revenue	18	**707,289**	450,919	**1,342,569**	903,086
Insurance service expenses	18	**(582,666)**	(370,668)	**(1,180,587)**	(655,542)
Net expenses from reinsurance contracts	18	**(110,564)**	(78,451)	**(163,818)**	(240,348)
Insurance service result from Company's directly written business		**14,059**	1,800	**(1,836)**	7,196
Share of surplus from insurance pools		**1,400**	386	**1,400**	1,060
Total insurance service result		**15,459**	2,186	**(436)**	8,256
Net gains on investments measured at FVTPL		**4,580**	684	**12,156**	2,040
Commission income from financial assets not measured at FVTPL		**15,784**	14,760	**29,484**	29,552
Dividend income on investments measured at FVTPL		**43**	3	**47**	7
Net investment return		**20,407**	15,447	**41,687**	31,599
Net finance expense from insurance contracts		**(2,020)**	(3,390)	**(6,272)**	(11,833)
Net finance income from reinsurance contracts		**568**	2,013	**2,910**	6,938
Net insurance finance expense		**(1,452)**	(1,377)	**(3,362)**	(4,895)
Net insurance and investment result		**34,414**	16,256	**37,889**	34,960
Other income		**112**	77	**204**	184
Other operating expenses		**(11,442)**	(12,387)	**(22,967)**	(21,460)
Profit for the period attributable to the shareholders before zakat and income tax		**23,084**	3,946	**15,126**	13,684
Zakat	14	**(3,612)**	(3,350)	**(5,725)**	(6,750)
Income tax	14	**(138)**	(150)	**(275)**	(250)
Net profit for the period attributable to the shareholders		**19,334**	446	**9,126**	6,684
Earnings per share (Basic and diluted) (expressed in SAR per share)	15	**0.48**	0.01	**0.23**	0.17

Managing Director & CEO

Chief Financial Officer

The accompanying notes 1 to 28 form an integral part of these condensed interim financial statements.

WATANIYA INSURANCE COMPANY
(A Saudi Joint Stock Company)
Condensed statement of comprehensive income
For the three-month and six-month periods ended June 30, 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Three-month period ended June 30, 2026 (Unaudited)	Three-month period ended June 30, 2025 (Unaudited)	**Six-month period ended June 30, 2026 (Unaudited)**	Six-month period ended June 30, 2025 (Unaudited)
Net profit for the period attributable to the shareholders	**19,334**	446	**9,126**	6,684
Other comprehensive income				
Items that will not be reclassified to statement of income in subsequent years				
Net changes in fair value of investment measured at FVOCI – equity instruments	-	-	-	2,508
Remeasurement (loss) / gain on defined benefit obligations	**(844)**	181	**(690)**	(1,009)
Total other comprehensive (loss) / income	**(844)**	181	**(690)**	1,499
Total comprehensive income for the period attributable to the shareholders	**18,490**	627	**8,436**	8,183

Managing Director & CEO

Chief Financial Officer

The accompanying notes 1 to 28 form an integral part of these condensed interim financial statements.

WATANIYA INSURANCE COMPANY
(A Saudi Joint Stock Company)
Condensed statement of changes in equity
For the six-month period ended June 30, 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

Six-month period ended June 30, 2026

	Share capital	Statutory reserve	Retained earnings	Fair value reserve for investments	Total
Balance at the beginning of the period – (Audited)	**400,000**	**49,689**	**137,506**	**70,792**	**657,987**
***Total comprehensive income for the* period**					
Net profit for the period attributable to the shareholders	-	-	**9,126**	-	**9,126**
Net changes in fair value of investment measured at FVOCI	-	-	-	-	-
Remeasurement loss on defined benefit obligations	-	-	**(690)**	-	**(690)**
Total comprehensive profit for the period attributable to the shareholders	-	-	**8,436**	-	**8,436**
Balance at the end of the period – (unaudited)	**400,000**	**49,689**	**145,942**	**70,792**	**666,423**

Six-month period ended June 30, 2025

	Share capital	Statutory reserve	Retained earnings	Fair value reserve for investments	Total
Balance at the beginning of the period – (Audited)	400,000	42,271	108,168	59,195	609,634
Total comprehensive income for the period					
Net profit for the period attributable to the shareholders	-	-	6,684	-	6,684
Net changes in fair value of investment measured at FVOCI	-	-	-	2,508	2,508
Remeasurement loss on defined benefit obligations	-	-	(1,009)	-	(1,009)
Total comprehensive income for the period attributable to the shareholders	-	-	5,675	2,508	8,183
Balance at the end of the period – (unaudited)	400,000	42,271	113,843	61,703	617,817

Managing Director & CEO

Chief Financial Officer

The accompanying notes 1 to 28 form an integral part of these condensed interim financial statements.

WATANIYA INSURANCE COMPANY
(A Saudi Joint Stock Company)
Condensed statement of cash flows
For the six-month period ended June 30, 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period attributable to the shareholders before zakat and income tax		**15,126**	13,684
Adjustments for non-cash items:			
Depreciation of property and equipment and amortization of intangible assets		**3,897**	5,212
Depreciation of right-of-use assets		**2,626**	794
Finance cost on lease liabilities		**340**	171
Net gains on investments measured at FVTPL		**(12,156)**	(2,040)
Provision for employee benefits obligations		**2,322**	6,194
Commission income from financial assets not measured at FVTPL		**(29,484)**	(29,552)
Expected credit loss adjustment		**429**	-
Dividend income on investments measured at FVTPL		**(47)**	(7)
		(16,947)	(5,544)
Changes in operating assets and liabilities:			
Other receivables and prepaid expenses	10	**(8,615)**	(6,841)
Reinsurance contract assets	11	**3,229**	102,870
Accrued expenses and other liabilities	13	**(15,302)**	3,617
Insurance contract liabilities	11	**394,419**	(135,806)
Reinsurance contract liability	11	**(3,406)**	(251)
		353,378	(41,955)
Zakat and income tax paid	14	**(11,724)**	(12,490)
Payment of employee benefits obligation		**(1,026)**	(743)
Net cash generated from / (used in) operating activities		**340,628**	(55,188)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment		**(4,358)**	(131)
Additions to investments held at amortised cost		**(65,762)**	(35,034)
Additions to FVTPL investments		**(16,992)**	(70,000)
Placements in term deposits	6	**(487,530)**	(508,750)
Proceeds from term deposits matured	6	**398,750**	615,307
Commission income from financial assets not measured at FVTPL		**30,768**	43,221
Net gains on investments measured at FVTPL		**1,764**	1,500
Dividend income on investments measured at FVTPL		**47**	7
Net cash (used in) / generated from investing activities		**(143,313)**	46,120
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal element of lease payments		**(4,671)**	(697)
Interest element of lease payments		**(111)**	(348)
Net cash used in financing activities		**(4,782)**	(1,045)
Net change in cash and cash equivalents		**192,533**	(10,113)
Cash and cash equivalents at the beginning of the period		**102,074**	53,693
Cash and cash equivalents at the end of the period		**294,607**	43,580
SUPPLEMENTAL SCHEDULE OF NON-CASH INFORMATION			
Right-of-use assets recorded against lease liabilities		**10,999**	-
Remeasurement loss on defined benefit obligations		**(690)**	(1,009)
Net changes in fair value of investment measured at FVOCI – equity instruments	9	**-**	2,508

Managing Director & CEO

Chief Financial Officer

The accompanying notes 1 to 28 form an integral part of these condensed interim financial statements.

1 General

Wataniya Insurance Company (the "Company") is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia under Commercial Registration No. 4030200981 dated 1 Jumada II 1431H (corresponding to May 15, 2010) and Ministry of Commerce Resolution number 158/K dated Jumada Al Awal 12, 1431H (corresponding to April 26, 2010). The Registered Office address of the Company is Juffali Building, Madina Road, Jeddah, Saudi Arabia.

The Company is licensed to conduct insurance business in Saudi Arabia under Cooperative insurance principles in accordance with Royal Decree No M/53 dated 21 Shawwal 1430H (corresponding to October 10, 2009) pursuant to Council of Ministers' Resolution No. 330 dated Shawwal 16,1430H (corresponding to October 5, 2009). Insurance Authority, as the principal authority responsible for the application and administration of the Insurance Law and its Insurance Implementing Regulations, granted the Company a license number TMN/29/20106 valid up to Rajab 2,1449H (corresponding to November 30, 2027). The Company was listed on the Saudi stock exchange (Tadawul) on June 16, 2010.

The objectives of the Company are to provide general insurance and related services in accordance with its by-laws and applicable regulations in the Kingdom of Saudi Arabia.

The Company continues to monitor the regional geopolitical developments and their potential impact on Kingdom of Saudi Arabia and other Gulf Cooperation Council countries given that the majority of the Company's operations are conducted within Kingdom of Saudi Arabia. While the situation remains evolving, the Company maintains a robust operational framework to manage associated risks. These developments have not had a material impact on the Company 's condensed interim financial statements for the three-month and six-month periods ended June 30, 2026. However, given the evolving nature of the conflict, the potential long-term impact on the Company's business will continue to be assessed on future reporting dates.

2 Basis of preparation

(a) Statement of compliance

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by The Saudi Organization for Chartered and Professional Accountants ("SOCPA").

As required by the Saudi Arabian Insurance Implementation Regulations (herein referred to as "Insurance Regulations"), the Company maintains separate books of accounts for "Insurance Operations" and "Shareholders' Operations". Insurance Regulations require a clear segregation of assets, liabilities, income and expenses of the insurance and shareholders operations. Accordingly, assets, liabilities, revenues and expenses attributable to either operation are recorded in the respective accounts.

In preparing the Company's financial statements in compliance with IFRS as endorsed in KSA, the balances and transactions of the insurance operations are amalgamated and combined with those of the shareholders' operations. Inter-operation balances, transactions and unrealized gains and losses, if any, are eliminated in full during amalgamation. The accounting policies adopted for the insurance operations and shareholders' operations are uniform for transactions and events in similar circumstances.

The condensed interim financial statements may not be considered indicative of the expected results for the full year.

(b) Basis of measurement

The condensed interim financial statements are prepared under the going concern basis and the historical cost convention, except for the measurement of investments at their fair value through profit or loss and fair value through other comprehensive income and defined benefits obligations, which are recognised at the present value of future obligation using Projected Unit Credit Method.

(c) Basis of presentation

The condensed interim financial statements do not include all of the information required for complete set of annual financial statements and should be read in conjunction with the annual financial statements as of and for the year ended December 31, 2025. The Company's 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, other receivables and prepaid expenses, accrued income on statutory deposit, accrued expenses and other liabilities, zakat and income tax payable and accrued income on statutory deposit.

2 Basis of preparation (continued)

(c) Basis of presentation (continued)

The following balances would generally be classified as non-current: financial assets at amortised cost, financial assets at fair value through other comprehensive income ("FVOCI"), right-of-use assets, property and equipment, intangible assets and statutory deposit. The balances which are of mixed use in nature i.e. include both current and non-current portions include insurance contract liabilities, reinsurance contract assets / liabilities, term deposits, financial assets at fair value through profit or loss ("FVTPL"), lease liabilities and employee benefit obligations.

(d) Functional and presentation currency

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

(e) Fiscal year

The Company follows a fiscal year ending on December 31.

(f) Seasonality of operations

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

(g) Changes in products and services

During the period ended June 30, 2026, there were no significant changes in products or services and their terms of the insurance contracts offered by the Company.

3. Material accounting policies

The material accounting policies used in the preparation of these condensed interim financial statements are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2025.

3.1 New IFRS, International Financial Reporting and Interpretations Committee's interpretations (IFRIC) and amendments thereof, adopted by the Company

A number of new amendments became applicable for the current reporting period, however these amendments had no material impact on the condensed interim financial statements of the Company.

a) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7.

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

b) Annual improvements to IFRS Accounting standards (Volume 11).

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

There is no financial impact as a result of these amendments.

3 Material accounting policies (continued)

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

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

a) IFRS 19 - Subsidiaries without Public Accountability: Disclosures.

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

Effective date:

Annual periods beginning on or after January 1, 2027.

Impact assessment:

Management has assessed the applicability of IFRS 19 and concluded that it does not apply to the Company. Therefore, no further disclosure is necessary.

b) IFRS 20 - Regulatory Assets and Regulatory Liabilities

IFRS 20 requires an entity that is subject to a regulatory agreement to provide information about its regulatory assets, regulatory liabilities, regulatory income and regulatory expense.

Effective date:

Annual periods beginning on or after January 1, 2029.

Impact assessment:

Management has assessed the applicability of IFRS 20 and concluded that it does not apply to the Company. Therefore, no further disclosure is necessary.

c) IFRS 18 - Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1 "Presentation of Financial Statements" and introduces new requirements on the structure of the statement of income, required disclosures for management-defined performance measures ("MPMs") and enhanced principles of aggregation and disaggregation that apply to the primary financial statements and the notes.

Effective date:

Annual periods beginning on or after January 1, 2027. Earlier application is permitted; the Company has not early adopted the standard in preparing these condensed interim financial statements.

Impact assessment:

The Company is continuing to assess the impact of IFRS 18, and the amounts and disclosures below remain preliminary and subject to change as the assessment progresses and as further interpretative guidance becomes available. Neither net income nor net assets are expected to change as a result of adopting IFRS 18. Based on the preliminary assessment, the expected impact of IFRS 18 adoption is described below:

3 Material accounting policies (continued)

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

c) IFRS 18 - Presentation and Disclosure in Financial Statements (continued)

(i) Structure of the statement of income

IFRS 18 requires income and expenses to be classified into one of the five categories i.e. operating, investing, financing, zakat and income tax, and discontinued operations. Classification is driven by an entity's main business activities. IFRS 18 also introduces two new required subtotals: "operating profit or loss" and "profit or loss before financing and zakat and income tax".

The Company has preliminarily determined that providing insurance services constitutes its main business activities, and that investing in financial assets to back its insurance contract liabilities and its capital base is integral to that activity which needs to be assessed in detail at a later stage at the time of implementation. On this basis, the Company on a current preliminary basis currently expects the following items, which are currently presented as part of insurance and financing results in the statement of income, to be classified within the operating category:

- Insurance revenue;
- Insurance service expenses;
- Net income or expenses from reinsurance contracts;
- Share of surplus from insurance pools;
- Insurance finance income or expense from insurance contracts; and
- Insurance finance income or expense from reinsurance contracts held.

Management is assessing the classification of the investing category items, other operating expenses and other income between operating, investing and financing categories, in line with the specific requirements applicable to insurers, and expects changes to the current structure of the statement of income.

Based on the assessment performed to date, the Company expects that its currently presented subtotal "Net insurance and investment result" will not correspond directly to the "operating profit" subtotal required by IFRS 18, and that the statement of income will require restructuring to present the newly defined subtotals.

(ii) Management-defined performance measures

MPMs are subtotals of income and expenses used in public communications outside the financial statements (for example, in earnings announcements, investor presentations and the Board of Directors' report) that communicate management's view of an aspect of the Company's financial performance. IFRS 18 requires disclosure of specified information about MPMs in a single note, including a reconciliation to the most directly comparable subtotal specified by International Financial Reporting Standards.

The Company is in process to determine which public communications should be considered when identifying MPMs. As MPMs are determined by reference to public communications relating to the reporting period to which the financial statements relate, the MPMs to be disclosed by the Company will be based on its public communications for the 2027 interim and annual reporting periods.

3 Material accounting policies (continued)

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

c) IFRS 18 - Presentation and Disclosure in Financial Statements (continued)

(iii) Principles of aggregation and disaggregation

IFRS 18 provides enhanced guidance on grouping items with similar characteristics and disaggregating items with dissimilar characteristics in the primary financial statements and the notes, together with guidance on labelling. The Company's existing disclosures already present insurance revenue, insurance service expenses, net expenses from reinsurance contracts, Insurance contract liabilities and Reinsurance contract assets / liabilities by portfolio (Motor, Property & Casualty, and Term life) and by operating segment. The Company is currently assessing whether additional disaggregation may be required for other assets, other liabilities, and other income and expenses.

(iv) Consequential amendments

IFRS 18 introduces consequential amendments to other IFRS Accounting Standards, including IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*.

d) Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency

These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The amendments aim to improve the usefulness of the resulting information in a cost-effective manner and reduce diversity in practice.

Effective date:

Annual periods beginning on or after January 1, 2027.

Impact assessment

Management has assessed the applicability of these amendments to IAS 21 and concluded that it does not apply to the Company. Therefore, no further disclosure is necessary.

e) Amendments to IAS 28

The amendments provide clarity about which entities are eligible to measure investments using the fair value option in IAS 28.

Effective date:

Annual periods beginning on or after January 1, 2027.

Impact assessment

Management has assessed the applicability of these amendments to IAS 28 and concluded that it does not apply to the Company. Therefore, no further disclosure is necessary.

3 Material accounting policies (continued)

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

f) Amendments to IFRS 9 and IFRS 7 regarding power purchase arrangements

The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity.

Effective date:

Annual periods beginning on or after January 1, 2027.

Impact assessment

Management has assessed the applicability of these amendments to IFRS 9 and IFRS 7 and concluded that these do not apply to the Company. Therefore, no further disclosure is necessary.

4 Critical accounting judgments, estimates and assumptions

The preparation of condensed interim financial statements 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. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

In preparing these condensed interim financial statements, the significant judgments 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 to the annual financial statements as at and for the year ended December 31, 2025.

5. Cash and cash equivalents

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash in hand	**27**	40
Bank balances	**60,601**	63,047
Deposits with original maturity of less than 3 months	**234,000**	39,000
Expected credit loss	**(21)**	(13)
	294,607	102,074

The bank balances are with banks, registered in Saudi Arabia and are denominated in Saudi Riyals and US Dollars.

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 includes those financial assets having credit exposure equivalent to Standard and Poor's rating of A to BBB. The Company's exposures to credit risk are not collateralized.

Term deposits with original maturity of less than 3 months are placed with a commercial banks registered in Saudi Arabia and yield income at rates of 3.70% to 4.90% per annum (December 31, 2025: 5.30%).

Movement in allowance for expected credit losses (ECL) on cash and cash equivalents is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the period / year	**13**	13
ECL allowance recognised in statement of income during the period / year	**8**	-
Balance at end of the period / year	**21**	13

6. Term deposits

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Term Deposits	**829,530**	740,750
Accrued commission income	**13,300**	15,064
Expected credit loss	**(378)**	(174)
	842,452	755,640

Term deposits with original maturity exceeding 3 months are placed with commercial banks registered in Saudi Arabia and yield income at rates of 4.70% to 5.50% per annum (December 31, 2025: 5.05% to 6.50% per annum).

The gross carrying amount of 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 includes those financial assets having credit exposure equivalent to Standard and Poor's rating of A to BBB. The Company's exposures to credit risk are not collateralized.

Movement in allowance for expected credit losses on term deposits is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the period / year	**174**	174
ECL allowance recognised in statement of income during the period / year	**204**	-
Balance at end of the period / year	**378**	174

7 Financial assets at fair value through profit or loss ("FVTPL")

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Investment in discretionary portfolios	7.1	**350,496**	342,379
Investment in Tier-1 sukuks	7.2	**61,000**	56,000
Investment in mutual funds	7.3	**16,613**	4,009
Investment in equity securities	7.4	**1,663**	-
		429,772	402,388

7.1 Investment in discretionary portfolios:

Movement in investment in discretionary portfolio is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the period / year	**342,379**	284,853
Additions during the period / year	**-**	50,000
Changes in fair value of investments	**8,117**	7,526
Balance at end of the period / year	**350,496**	342,379

FVTPL includes investments managed by three Fund managers under the discretionary portfolio of investments where all such investments are carried at fair value as provided by the Fund managers. These fund managers keep such investments in various fixed income securities, mutual funds, equity investments, sukuks and murabaha placements.

7.2 Investment in Tier-1 sukuks:

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Arab National Bank Sukuks	7.2.1	**20,000**	20,000
Riyad Bank Sukuks	7.2.2	**20,000**	20,000
Saudi Fransi Bank Sukuks	7.2.3	**11,000**	11,000
Bank Al Jazira Sukuks	7.2.4	**5,000**	5,000
Saudi Investment Bank Sukuks	7.2.5	**5,000**	-
Balance at end of the period / year		**61,000**	56,000

7 Financial assets at fair value through profit or loss ("FVTPL") (continued)

7.2 Investment in Tier-1 sukuks (continued):

7.2.1 This represents the Company's investment in Arab National Bank Tier 1 Sukuks. These represent 20 Sukuks at a face value of SAR 1 million per Sukuk with a coupon rate of 6.20% per annum. These Sukuks have a maturity duration of 5 years commencing from January 29, 2025. The Company has earned commission income of SAR 0.62 million during the period (June 30, 2025: 0.52 million). The profit distribution on these sukuks is at the discretion of the issuer therefore these sukuks have been classified as FVTPL.

7.2.2 This represents the Company's investment in Riyad Bank Tier 1 Sukuks. These represent 80 Sukuks at a face value of SAR 0.25 million per Sukuk with a coupon rate of 6% per annum. These Sukuks have a maturity duration of 5 years commencing from January 21, 2025. The Company has earned commission income of 0.60 million during the period (June 30, 2025: 0.60 million). The profit distribution on these sukuks is at the discretion of the issuer therefore these sukuks have been classified as FVTPL.

7.2.3 This represents the Company's investment in Saudi Fransi Bank Tier 1 Sukuks. These represent 5 Sukuks at a face value of SAR 1 million per Sukuk with a coupon rate of 6% per annum and 6 Sukuks at a face value of SAR 1 million per Sukuk with a coupon rate of 6.40%. The Company has earned commission income of SAR 0.34 million during the period (June 30, 2025: SAR 0.22 million) The profit distribution on these sukuks is at the discretion of the issuer therefore these sukuks have been classified as FVTPL.

7.2.4 This represents the Company's investment in Bank Al Jazira Tier 1 Sukuks. These represent 5 Sukuks at a face value of SAR 1 million per Sukuk with a coupon rate of 6.30% per annum. These Sukuks have a maturity duration of 5 years commencing from January 9, 2025. The Company has earned commission income of SAR 0.16 million during the period (June 30, 2025: 0.16 million). The profit distribution on these sukuks is at the discretion of the issuer therefore these sukuks are classified as FVTPL.

7.2.5 This represents the Company's investment in Saudi Investment Bank Tier 1 Sukuks. These represent 5 Sukuks at a face value of SAR 1 million per Sukuk with a coupon rate of 6.50% per annum. These Sukuks have a maturity duration of 5 years commencing from April 30, 2026. The Company has earned commission income of SAR 0.05 million during the period (June 30, 2025: Nil). The profit distribution on these sukuks is at the discretion of the issuer therefore these sukuks are classified as FVTPL.

7.3 Investment in mutual funds:

Movement in investment in mutual funds is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the period / year	**4,009**	-
Additions during the period / year	**9,994**	3,796
Changes in fair value of investments	**2,610**	213
Balance at end of the period / year	**16,613**	4,009

7.4 Investment in equity securities:

Movement in investment in equity securities is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the period / year	**-**	-
Additions during the period / year	**1,998**	-
Changes in fair value of investments	**(335)**	-
Balance at end of the period / year	**1,663**	-

8 Financial assets at amortised cost

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Rawabi Holding Sukuks	8.1	**10,000**	10,000
Saudi Government Sukuks	8.2	**164,535**	99,518
Saudi Real Estate Refinance Company Sukuks	8.3	**9,000**	9,000
Others	8.4	**8,711**	7,966
Commission accrued		**1,899**	1,419
Gross amount – total		**194,145**	127,903
Expected credit loss		**(231)**	(4)
Net amount – total		**193,914**	127,899

8.1 These represent the Company's investment in Rawabi Holding sukuks, 50 Sukuks at a face value of SAR 0.1 million per sukuk with a coupon rate of 8.50% per annum and 50 Sukuks at a face value of SAR 0.1 million per sukuk with a coupon rate of 8.30% per annum. These Sukuks have a maturity duration of 3 years commencing from March 31, 2024 and March 13, 2025, respectively. The Company has earned a commission income of SAR 0.42 million during the period (June 30, 2025: SAR 0.32 million).

8.2 These represent the Company's investment in Saudi Government sukuks, 163,500 sukuks at a face value of SAR 0.001 million with yields ranging from 4.68% to 5.35% and original maturity duration ranging from 3 years to 10 years. The Company has earned a commission income of SAR 3.18 million during the period (June 30, 2025: 0.30 million).

8.3 These represent the Company's investment in Saudi Real Estate Refinance Company, 5 Sukuks at a face value of SAR 1 million per Sukuk with a coupon rate of 2.11% per annum and 4 Sukuks at a face value of SAR 1 million per Sukuk with a coupon rate of 3.04% per annum. These Sukuks have a maturity duration of 7 years and 10 years commencing from March 3, 2021, and December 09, 2021, respectively. The Company has earned a commission income of SAR 0.114 million during the period (June 30, 2025: SAR 0.114 million).

8.4 These represent the Company's investment in Tameed Crowd Funding Platform at a face value of SAR 8.7 million with coupon rates ranging from 9.60% to 17.28%. The Company has earned a commission income of SAR 0.687 million during the period (June 30, 2025: 0.364 million).

The gross carrying amount of financial assets measured at amortised cost represents the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1. Investment grade includes those financial assets having credit exposure equivalent to Standard and Poor's rating of AAA to BBB, whereas non-investment grade represents un-rated exposures. The Company's exposures to credit risk are not collateralized.

Movement in allowance for expected credit losses on investments measured at amortised cost is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the period / year	**4**	4
ECL recognised in statement of income during the period / year	**227**	-
Balance at end of the period / year	**231**	4

9 Financial assets at fair value through other comprehensive income ("FVOCI")

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the period / year	**72,715**	61,118
Changes in fair value of investments	**-**	11,597
Balance at end of the period / year	**72,715**	72,715

9 Financial assets at fair value through other comprehensive income ("FVOCI") (continued)

The above represents the Company's 3.45% (December 31, 2025: 3.45%) holding in Najm for Insurance Services Company, a Saudi Closed Joint Stock Company at a cost of Saudi Riyal 1.92 million. These shares are un-quoted and are carried at fair value. Refer to Note 20 for details relating to fair valuation techniques.

All investments are from the shareholders operations and are placed inside the Kingdom of Saudi Arabia.

10 Other receivables and prepaid expenses

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Staff receivables	**7,483**	7,202
Margin deposits	**6,051**	6,180
Prepayments	**11,965**	4,936
Due from Walaa Cooperative Insurance Company	**16**	16
Due from Al Etihad Cooperative Insurance Company	**2,781**	2,100
Due from Malath Cooperative Insurance Company	**220**	220
Others	**1,385**	632
	29,901	21,286

11 Insurance and reinsurance contracts

11.1 Composition of the statement of financial position

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

	Motor	**Property & Casualty**	**Term life**	**Total**
As at June 30, 2026 – (Unaudited)				
Insurance contracts				
Insurance contract assets	**-**	**-**	**-**	**-**
Insurance contract liabilities	**852,275**	**626,916**	**203,191**	**1,682,382**
	852,275	**626,916**	**203,191**	**1,682,382**
Reinsurance contracts				
Reinsurance contract assets	**732**	**443,245**	**34,045**	**478,022**
Reinsurance contract liability	**-**	**-**	**-**	**-**
	732	**443,245**	**34,045**	**478,022**

	Motor	Property & Casualty	Term life	Total
As at December 31, 2025 – (Audited)				
Insurance contracts				
Insurance contract assets	-	-	-	-
Insurance contract liabilities	652,594	591,007	44,362	1,287,963
	652,594	591,007	44,362	1,287,963
Reinsurance contracts				
Reinsurance contract assets	-	439,433	41,818	481,251
Reinsurance contract liability	(3,406)	-	-	(3,406)
	(3,406)	439,433	41,818	477,845

11 Insurance and reinsurance contracts (continued)

11.2 Analysis by remaining coverage and incurred claims

11.2.1 Insurance contracts:

	As at June 30, 2026 – (Unaudited)					As at December 31, 2025 – (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	**491,749**	**8,669**	**756,641**	**30,904**	**1,287,963**	544,417	3,766	863,210	39,659	1,451,052
Insurance contract assets – opening	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Opening balance – net	**491,749**	**8,669**	**756,641**	**30,904**	**1,287,963**	544,417	3,766	863,210	39,659	1,451,052
Insurance revenue	**(1,342,569)**	**-**	**-**	**-**	**(1,342,569)**	(1,837,593)	-	-	-	(1,837,593)
Insurance service expenses										
Incurred claims and other incurred insurance service expenses*	-	-	1,059,628	16,395	1,076,023	-	-	1,373,625	14,557	1,388,182
Losses on onerous contracts	-	3,077	-	-	3,077	-	4,903	-	-	4,903
Changes that relate to past service	-	-	(25,315)	(8,672)	(33,987)	-	-	(173,973)	(23,312)	(197,285)
Insurance acquisition cashflows amortisation	135,474	-	-	-	135,474	225,619	-	-	-	225,619
Insurance service expenses	**135,474**	**3,077**	**1,034,313**	**7,723**	**1,180,587**	225,619	4,903	1,199,652	(8,755)	1,421,419
Finance expense from insurance contracts	-	-	6,272	-	6,272	-	-	15,436	-	15,436
Total changes in the statement of income	**(1,207,095)**	**3,077**	**1,040,585**	**7,723**	**(155,710)**	(1,611,974)	4,903	1,215,088	(8,755)	(400,738)
Cashflows										
Premiums received	1,536,108	-	-	-	1,536,108	1,800,566	-	-	-	1,800,566
Claims and other incurred insurance service expenses paid	-	-	(849,667)	-	(849,667)	-	-	(1,321,657)	-	(1,321,657)
Insurance acquisition cashflows paid	(136,312)	-	-	-	(136,312)	(241,260)	-	-	-	(241,260)
Total cash inflows / (outflows)	**1,399,796**	**-**	**(849,667)**	**-**	**550,129**	1,559,306	-	(1,321,657)	-	237,649
Insurance contracts										
Insurance contract liabilities – closing	**684,450**	**11,746**	**947,559**	**38,627**	**1,682,382**	491,749	8,669	756,641	30,904	1,287,963
Insurance contract assets – closing	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Closing balance – net	**684,450**	**11,746**	**947,559**	**38,627**	**1,682,382**	491,749	8,669	756,641	30,904	1,287,963

*This includes surplus distribution of SAR 0.5 million for the period ended June 30, 2026 (December 31, 2025: SAR 4.53 million).

11 Insurance and reinsurance contracts (continued)

11.2 Analysis by remaining coverage and incurred claims (continued)

11.2.2 Reinsurance contracts held:

	As at June 30, 2026 – (Unaudited)					As at December 31, 2025 – (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	**33,586**	**-**	**(495,797)**	**(19,040)**	**(481,251)**	26,427	-	(569,346)	(26,987)	(569,906)
Reinsurance contract liabilities – opening	**3,406**	**-**	**-**	**-**	**3,406**	5,132	-	-	-	5,132
Opening balance – net	**36,992**	**-**	**(495,797)**	**(19,040)**	**(477,845)**	31,559	-	(569,346)	(26,987)	(564,774)
Allocation of reinsurance premium paid	**334,036**	**-**	**-**	**-**	**334,036**	441,571	-	-	-	441,571
Amounts recoverable from reinsurers										
Claims recovered and other directly attributable expenses	-	-	(181,319)	(3,311)	(184,630)	-	-	(163,271)	(5,355)	(168,626)
Changes to amounts recoverable for incurred claims	-	-	12,103	2,309	14,412	-	-	100,472	13,302	113,774
Amounts recoverable from reinsurers – net	**-**	**-**	**(169,216)**	**(1,002)**	**(170,218)**	-	-	(62,799)	7,947	(54,852)
Finance income from reinsurance contracts	-	-	(2,910)	-	(2,910)	-	-	(9,092)	-	(9,092)
Total changes in the statement of income	**334,036**	**-**	**(172,126)**	**(1,002)**	**160,908**	441,571	-	(71,891)	7,947	377,627
Cashflows										
Premiums ceded and acquisition cashflows paid	**(220,630)**	**-**	**-**	**-**	**(220,630)**	(436,138)	-	-	-	(436,138)
Recoveries from reinsurance	**-**	**-**	**59,545**	**-**	**59,545**	-	-	145,440	-	145,440
Total cash outflows / inflows	**(220,630)**	**-**	**59,545**	**-**	**(161,085)**	(436,138)	-	145,440	-	(290,698)
Reinsurance contracts										
Reinsurance contract assets – closing	**150,398**	**-**	**(608,378)**	**(20,042)**	**(478,022)**	33,586	-	(495,797)	(19,040)	(481,251)
Reinsurance contract liabilities – closing	**-**	**-**	**-**	**-**	**-**	3,406	-	-	-	3,406
Closing balance – net	**150,398**	**-**	**(608,378)**	**(20,042)**	**(478,022)**	36,992	-	(495,797)	(19,040)	(477,845)

12 Statutory deposit

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Statutory deposit	**40,000**	40,000
Expected credit loss	**(15)**	(17)
	39,985	39,983

As required by Insurance Regulations, the Company has deposited an amount equivalent to 10% of its paid-up share capital, amounting to SAR 40 million as at June 30, 2026 (December 31, 2025: SAR 40 million), in a bank designated by Insurance Authority (IA). Accrued income on this deposit is payable to IA amounting to SAR 1.5 million (December 31, 2025: SAR 0.49 million) and this deposit cannot be withdrawn without approval from IA.

Movement in allowance for expected credit losses on statutory deposit is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at beginning of the period / year	**17**	17
ECL reversal in statement of income during the period / year	**(2)**	-
Balance at end of the period / year	**15**	17

13 Accrued expenses and other liabilities

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Accrued expenses	**16,746**	24,666
Value added tax payable	**16,155**	20,872
Payable for reinsurance's withholding tax	**1,713**	2,125
Other liabilities	**5,453**	7,706
	40,067	55,369

14 Zakat and income tax payable

14.1 Components of zakat base

Significant components of zakat base of the Company attributable to the Saudi shareholders, which are subject to adjustment under zakat and income tax regulations, are shareholders' equity at the end of the period and certain other items. Zakat base has been computed based on the zakat regulations enforced in the Kingdom of Saudi Arabia. The zakat regulations in Saudi Arabia are subject to different interpretations, and the assessments to be raised by the Zakat, Tax and Customs Authority ("ZATCA") could be different from the declaration filed by the Company.

14.2 Provision for zakat and income tax

For the six-month period ended June 30, 2026 – (Unaudited)	**Zakat**	**Income tax**	**Total**
Balance at beginning of the period	**14,065**	**992**	**15,057**
Provision for the period	**5,725**	**275**	**6,000**
Payment during the period	**(11,515)**	**(209)**	**(11,724)**
Balance at end of the period (Unaudited)	**8,275**	**1,058**	**9,333**

14 Zakat and income tax payable (continued)

14.2 Provision for zakat and income tax (continued)

For the year ended December 31, 2025 – (Audited)	Zakat	Income tax	Total
Balance at beginning of the year	14,333	814	15,147
Provision for the current year	11,650	750	12,400
Payments during the year	(11,918)	(572)	(12,490)
Balance at end of the year (Audited)	14,065	992	15,057

For the period ended June 30, 2026, zakat is payable at 2.58% of the approximate zakat base. For the year ended December 31, 2025, zakat is payable at 2.58% of the approximate zakat base (excluding adjusted net income for the year) and 2.5% of adjusted net income for the year attributable to Saudi shareholders.

Provision for income tax is payable at 20% of the adjusted net income attributable to the foreign shareholders of the Company, less allowances for foreign shareholders' share in the losses carry forwarded from previous year calculated in accordance with the guidelines provided in the income tax regulations.

The shareholding percentage subject to zakat and income tax is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
		%
Zakat share in capital and profit	**96.91**	96.91
Income tax share in capital and profit	**3.09**	3.09

14.3 Status of assessments

Year ended December 31, 2011 to 2022

The zakat and income tax assessments have been finalized up to and including the year 2022.

Year ended December 31, 2023 & 2024

The Company has filed its zakat and income tax return for the years ended December 31, 2023 and 2024 which are under review by the ZATCA.

Year ended December 31, 2025

The Company has filed its zakat and income tax return for the year ended December 31, 2025 and has obtained a provisional clearance certificate valid up to April 30, 2027.

15 Share capital and basic and diluted earnings per share

The authorized, issued and paid-up capital of the Company at June 30, 2026 is SAR 400 million divided into 40 million shares of SAR 10 each (December 31, 2025: SAR 400 million divided into 40 million shares of SAR 10 each).

All ordinary shares rank equally with regard to Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time, and are entitled to one vote per share at general meetings of the Company.

Earnings per share:

Earnings per share for the three-month and six-month periods June 30, 2026 and June 30, 2025 have been calculated by dividing the net profit for the respective periods attributable to the shareholders by the weighted average number of ordinary shares at the reporting date.

15 Share capital and basic and diluted earnings per share (continued)

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

	Three-month period ended June 30,2026 (Unaudited)	Three-month period ended June 30,2025 (Unaudited)	**Six-month period ended June 30,2026 (Unaudited)**	Six-month period ended June 30,2025 (Unaudited)
Net profit for the period attributable to the shareholders	**19,334**	446	**9,126**	6,684
Weighted average number of ordinary shares	**40,000**	40,000	**40,000**	40,000
Basic and diluted earnings per share	**0.48**	0.01	**0.23**	0.17

16 Statutory reserve

As required by the Insurance Regulations issued by IA, 20% of the net profit for the year after adjusting accumulated losses, has to be set aside from net profit for the year as a statutory reserve until this amounts to 100% of the paid-up share capital. This reserve is not available for distribution to the shareholders until the liquidation of the Company. The required amount, if any, would be transferred at the year end.

17 Commitments and contingencies

17.1 The Company's bankers have issued payment guarantees of SAR 6.05 million (December 31, 2025: SAR 6.01 million) to its suppliers on behalf of the Company.

17.2 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, management does not believe that such proceedings (including litigations) will have a material effect on its results and financial position.

18 Insurance revenue and expenses

During the previous year ended December 31, 2025, the Company revised its operating segment structure to align with changes in internal reporting and management oversight. As part of this revision, the aggregation basis for insurance and reinsurance contract disclosures has also been updated. Comparative information for prior period has been restated to ensure consistency and comparability (also see note 23).

An analysis of insurance revenue, insurance service expenses and net income / (expenses) from reinsurance contracts held by portfolio of contracts for the three-month and six-month periods ended June 30, 2026 and June 30, 2025 is included in the following tables. Additional information on amounts recognized in statement of income is included in the insurance and reinsurance contracts balances reconciliation.

For the three-month period ended June 30, 2026 (Unaudited)

	Motor	Property & Casualty	Term life	Total
Insurance revenue from contracts measured under PAA	398,237	152,771	156,281	707,289
Insurance revenue – total	**398,237**	**152,771**	**156,281**	**707,289**
Incurred claims and other incurred insurance service expenses*	(357,651)	(36,019)	(148,857)	(542,527)
Losses on onerous contracts	(371)	-	-	(371)
Changes that relate to past service	3,472	11,670	14,692	29,834
Insurance acquisition cash flows amortisation	(48,393)	(16,864)	(4,345)	(69,602)
Insurance service expenses – total	**(402,943)**	**(41,213)**	**(138,510)**	**(582,666)**
Allocation of reinsurance premium paid	**(5,157)**	**(81,313)**	**(77,736)**	**(164,206)**
Amounts recoverable from reinsurers				
Claims recovered and other directly attributable expenses	(69)	14,895	56,717	71,543
Changes to amounts recoverable for incurred claims	(1,468)	(4,996)	(11,437)	(17,901)
Amounts recoverable from reinsurers – net	**(1,537)**	**9,899**	**45,280**	**53,642**
Net expenses from reinsurance contracts – total	**(6,694)**	**(71,414)**	**(32,456)**	**(110,564)**
Insurance service result from Company's directly written business	**(11,400)**	**40,144**	**(14,685)**	**14,059**
Share of surplus from insurance pools	**-**	**-**	**-**	**1,400**
Total insurance service result	**(11,400)**	**40,144**	**(14,685)**	**15,459**

*This includes surplus distribution of SAR 0.5 million for the three-month period ended June 30, 2026.

18 Insurance revenue and expenses (continued)

For the six-month period ended June 30, 2026 (Unaudited)

	Motor	Property & Casualty	Term life	Total
Insurance revenue from contracts measured under PAA	742,253	293,849	306,467	1,342,569
Insurance revenue – total	**742,253**	**293,849**	**306,467**	**1,342,569**
Incurred claims and other incurred insurance service expenses*	(682,857)	(83,497)	(309,669)	(1,076,023)
Losses on onerous contracts	(3,077)	-	-	(3,077)
Changes that relate to past service	(3,181)	23,388	13,780	33,987
Insurance acquisition cash flows amortisation	(93,907)	(33,175)	(8,392)	(135,474)
Insurance service expenses – total	**(783,022)**	**(93,284)**	**(304,281)**	**(1,180,587)**
Allocation of reinsurance premium paid	**(8,435)**	**(171,932)**	**(153,669)**	**(334,036)**
Amounts recoverable from reinsurers				
Claims recovered and other directly attributable expenses	(73)	38,844	145,859	184,630
Changes to amounts recoverable for incurred claims	11,834	(14,403)	(11,843)	(14,412)
Amounts recoverable from reinsurers – net	**11,761**	**24,441**	**134,016**	**170,218**
Net expenses from reinsurance contracts – total	**3,326**	**(147,491)**	**(19,653)**	**(163,818)**
Insurance service result from Company's directly written business	**(37,443)**	**53,074**	**(17,467)**	**(1,836)**
Share of surplus from insurance pools	**-**	**-**	**-**	**1,400**
Total insurance service result	**(37,443)**	**53,074**	**(17,467)**	**(436)**

*This includes surplus distribution of SAR 0.5 million for the six-month period ended June 30, 2026.

18 Insurance revenue and expenses (continued)

For the three-month period ended June 30, 2025 (Unaudited) - Restated

	Motor	Property & Casualty	Term life	Total
Insurance revenue from contracts measured under PAA	274,383	138,236	38,300	450,919
Insurance revenue – total	274,383	138,236	38,300	450,919
Incurred claims and other incurred insurance service expenses*	(268,849)	(51,348)	(35,888)	(356,085)
Losses on onerous contracts	(659)	-	-	(659)
Changes that relate to past service	22,069	4,173	14,344	40,586
Insurance acquisition cash flows amortisation	(35,574)	(16,998)	(1,938)	(54,510)
Insurance service expenses – total	(283,013)	(64,173)	(23,482)	(370,668)
Allocation of reinsurance premium paid	(6,689)	(90,268)	(27,041)	(123,998)
Amounts recoverable from reinsurers	-	-		
Claims recovered and other directly attributable expenses	17	32,089	26,422	58,528
Changes to amounts recoverable for incurred claims	59	(2,186)	(10,854)	(12,981)
Amounts recoverable from reinsurers – net	76	29,903	15,568	45,547
Net expenses from reinsurance contracts – total	(6,613)	(60,365)	(11,473)	(78,451)
Insurance service result from Company's directly written business	(15,243)	13,698	3,345	1,800
Share of surplus from insurance pools	-	-	-	386
Total insurance service result	(15,243)	13,698	3,345	2,186

*This includes surplus distribution of SAR 0.18 million for the three-month period ended June 30, 2025.

18 Insurance revenue and expenses (continued)

For the six-month period ended June 30, 2025 (Unaudited) - Restated

	Motor	Property & Casualty	Term life	Total
Insurance revenue from contracts measured under PAA	550,718	273,068	79,300	903,086
Insurance revenue – total	550,718	273,068	79,300	903,086
Incurred claims and other incurred insurance service expenses*	(538,120)	(86,791)	(75,196)	(700,107)
Losses on onerous contracts	(5,014)	-	-	(5,014)
Changes that relate to past service	51,384	94,714	18,417	164,515
Insurance acquisition cash flows amortisation	(74,789)	(36,124)	(4,023)	(114,936)
Insurance service expenses – total	(566,539)	(28,201)	(60,802)	(655,542)
Allocation of reinsurance premium paid	(7,337)	(181,862)	(57,413)	(246,612)
Amounts recoverable from reinsurers	-	-		
Claims recovered and other directly attributable expenses	(5)	46,300	55,191	101,486
Changes to amounts recoverable for incurred claims	1,819	(83,505)	(13,536)	(95,222)
Amounts recoverable from reinsurers – net	1,814	(37,205)	41,655	6,264
Net expenses from reinsurance contracts – total	(5,523)	(219,067)	(15,758)	(240,348)
Insurance service result from Company's directly written business	(21,344)	25,800	2,740	7,196
Share of surplus from insurance pools	-	-	-	1,060
Total insurance service result	(21,344)	25,800	2,740	8,256

*This includes surplus distribution of SAR 1.61 million for the six-month period ended June 30, 2025.

19 Related party transactions and balances

Related parties represent shareholders with significant influence, Key Management Personnel (KMP) of the Company and entities controlled or jointly controlled by such shareholders and KMP. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors. The due from and due to balances of related parties are unsecured, interest free and repayable in cash on demand. The following are the details of the related party transactions during the period and the related balances:

Nature of transactions	**Transactions for the**			
	Three-month period ended June 30,2026 (Unaudited)	Three-month period ended June 30,2025 (Unaudited)	**Six-month period ended June 30,2026 (Unaudited)**	Six-month period ended June 30,2025 (Unaudited)
Shareholder with significant influence				
Insurance policies sold	**12**	-	**657**	658
Claims paid	**69**	50	**71**	85
Expenses incurred	**1,218**	776	**2,251**	1,553
Entities controlled or jointly controlled by shareholder with significant influence				
Insurance policies sold	**9,287**	5,045	**25,131**	23,196
Claims paid	**5,607**	4,118	**20,799**	7,261
Facultative premiums ceded	**2**	18	**86**	275
Facultative claims recovered	**-**	75	**-**	75
Expenses incurred	**1,360**	1,555	**2,356**	2,815

Key management personnel include senior management and board of directors. The following table shows the salaries, remuneration and allowances obtained by the Board members and executives for the periods ended:

Nature of transactions	**Transactions for the**			
	Three-month period ended June 30,2026 (Unaudited)	Three-month period ended June 30,2025 (Unaudited)	**Six-month period ended June 30,2026 (Unaudited)**	Six-month period ended June 30,2025 (Unaudited)
Key management personnel and close relatives				
Insurance policies sold	**32**	13	**43**	20
Claims paid	**76**	10	**253**	17
Remuneration and related expenses	**3,238**	3,290	**6,437**	6,687
Loans and advances	**272**	450	**272**	450
Long term employee benefits charge	**147**	187	**282**	1,156
Board members and close relatives				
Fees and related expenses	**686**	487	**2,136**	2,073
Insurance policies sold	**66**	36	**78**	56
Claims paid	**14**	1	**138**	1

	Balance as at	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Shareholder with significant influence		
Premiums receivable	**92**	52
Claims payable	**36**	1
Amounts due for expenses	**191**	205
Entities controlled or jointly controlled by shareholder with significant influence		
Premiums receivable	**3,576**	16,717
Amounts due for facultative transactions	**266**	480
Claims payable	**323**	1,601
Others (key management personnel, board members and their close relatives)		
Premiums receivable	**7**	-
Employee benefits payable to key management personnel	**3,044**	3,955
Advances due from key management personnel	**1,401**	1,346
Accrued directors' fees and related expenses	**80**	-

20 Fair values 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 advantageous accessible market for the asset or liability.

The fair values of on-balance sheet financial instruments are not significantly different from their carrying amounts included in these financial statements.

a) Determination of fair value and fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted prices in active markets for the same or identical instrument that an entity can access at the measurement date;

Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data; and

Level 3: valuation techniques for which any significant input is not based on observable market data. The Company ascertains the Level 3 fair values based on a valuation technique which is primarily derived by net assets value of the respective investee at the period end.

b) Carrying amounts and fair value

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.

June 30, 2026 – (Unaudited)	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment measured at fair value through other comprehensive income (FVOCI)				
Equity	**-**	**-**	**72,715**	**72,715**
Investment measured at fair value through profit or loss (FVTPL)				
Equity	**44,129**	**-**	**-**	**44,129**
Mutual funds	**61,894**	**62,676**	**-**	**124,570**
Sukuks	**-**	**218,904**	**-**	**218,904**
Murabaha placements	**-**	**-**	**42,169**	**42,169**
	106,023	**281,580**	**114,884**	**502,487**

December 31, 2025 – (Audited)	Level 1	Level 2	Level 3	Total
Investment measured at fair value through other comprehensive income (FVOCI)				
Equity	-	-	72,715	72,715
Investment measured at fair value through profit or loss (FVTPL)				
Equity	40,110	-	-	40,110
Mutual funds	55,400	58,308	-	113,708
Sukuks	47,077	168,930	-	216,007
Murabaha placements	-	-	32,563	32,563
	142,587	227,238	105,278	475,103

20 Fair values of financial instruments (continued)

b) Carrying amounts and fair value (continued)

The fair value of investment in quoted equity instruments and mutual funds at level 1 is based on quoted prices available in the market. The fair value of investments in mutual funds and sukuks at level 2 is based on the net asset values and value of similar quoted sukuks communicated by the fund manager. The fair value of investments in level 3 Murabaha placements include the Fund administrator report based on interest rates for Murabaha placements as confirmed by the discretionary portfolio manager and the impact of the sensitivity is not material on these Murabaha placements.

Specific valuation techniques used by management's independent experts to value financial instruments in Level 3 i.e. Najm investment, 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, lack of control discount and other liquid financial assets such as Murabahas and other investments, are subtracted from the Enterprise Value; and

- **Market multiples method:** The acquisition multiples of comparable private precedent transactions were assessed to indicate the value of the Company based on similar private transactions that have occurred during the previous period and covering full economic cycle. The Company has relied on local multiples valuation consisting of companies operating with a similar business model.

A weight of 60% and 40% are then applied to the fair values determined under both methods, to arrive at the total equity valuation of Najm and the Company then accounts for its share in equity of Najm i.e. 3.45%.

Cash and cash equivalents, term deposits, statutory deposit, accrued income on statutory deposits, corporate sukuks and the financial liabilities except employee benefit obligations are measured at amortized cost.

There were no transfers between levels of the fair value hierarchy for the period ended June 30, 2026 and year ended December 31, 2025. Additionally, there were no changes in the valuation techniques. Furthermore, there were no transfers into and out of level 3 measurements.

c) Reconciliation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at the beginning of the period / year	**105,278**	116,974
Additions during the period / year	**11,008**	2,164
Disposals during the period / year	**(1,402)**	(25,457)
Fair value gain recognised on:		
Investments carried at FVTPL*	**-**	-
Investments carried at FVOCI**	**-**	11,597
Fair value gain	**-**	11,597
Balance at the end of the period / year	**114,884**	105,278

***** The fair value gain recognised on Investments carried at FVTPL has been recognized within 'Net gains on investments measured at FVTPL' in the condensed statement of income.

****** The fair value gain recognised on Investments carried at FVOCI has been recognized within 'Net changes in fair value of investment measured at FVOCI' in the condensed statement of comprehensive income.

20 Fair values of financial instruments (continued)

d) Valuation process

The Company uses the services of a third-party valuation expert to perform the valuation of investment in Najm required for financial reporting purposes. 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 by 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 results.
- Revenue growth rate is estimated based on Company's own historical results and future projections.
- EV/EBITDA multiple is based on private precedent transactions.

21 Risk management

Risk governance

The Company's risk governance is manifested in a set of established policies, procedures and controls which uses the existing organizational structure to meet strategic targets. The Company's philosophy revolves on willing and knowledgeable risk acceptance commensurate with the risk appetite and strategic plan approved by the Board of Directors of the Company. The Company is exposed to insurance, reinsurance, regulatory framework, credit, liquidity, foreign currency, commission rate, and market risk.

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

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

Audit committee and internal audit department:
The internal audit department performs risk assessments with senior management annually. The internal audit department examines both adequacy of procedures and the Company's compliance with the procedures through regular audits. Audit findings and recommendations are reported directly to the Audit Committee.

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

Risk management committee:
The Board of Directors of the Company has constituted a Risk Management Committee, which oversees the risk management function of the Company and report to Board on a periodic basis. This committee operates under framework established by the Board of Directors.

The primary objective of the Company's risk and financial management framework is to protect the Company from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities.

The risks under all insurance contracts issued, reinsurance contracts held by the Company and the risk management policies are consistent with those as disclosed in the annual financial statements for the year ended December 31, 2025.

22 Capital management

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

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 amounts of dividends paid to shareholders or issue shares.

22 Capital management (continued)

The Company manages its capital to ensure that it is able to continue as going concern and comply with the regulators' capital requirements of the markets in which the Company operates while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of equity attributable to equity holders comprising paid share capital, reserves and retained earnings.

As per guidelines laid out by IA in Article 66 of the Insurance Implementing Regulations detailing the solvency margin required to be maintained, the Company shall maintain solvency margin equivalent to the highest of the following three methods as per Insurance Implementing Regulations:

- Minimum Capital Requirement
- Premium Solvency Margin
- Claims Solvency Margin

As at June 30, 2026 consists of Company's regulatory capital which is financed solely by paid-up share capital of SAR 400 million, statutory reserve of SAR 49.69 million, retained earnings of SAR 145.94 million and fair value reserve for investments of SAR 70.79 million (December 31, 2025: paid-up share capital of SAR 400 million, statutory reserve of SAR 49.69 million, retained earnings of SAR 137.51 million and fair value reserve for investments of SAR 70.79 million), in the statement of financial position.

Effective January 1, 2027, a Risk-Based Capital (RBC) framework will be implemented as the new solvency assessment regime for insurance and reinsurance companies operating in Saudi Arabia. The new regime intends to provide insurance companies flexibility in decision-making with responsibility to hold adequate capital corresponding to the risks undertaken.

In the opinion of the Board of Directors, the Company has fully complied with the externally imposed capital requirements as at June 30, 2026.

23 Operating segments

Operating segments are identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Operating Decision Maker (CODM) in order to allocate resources to the segments and to assess its performance.

Transactions between the operating segments are on normal commercial terms and conditions. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the condensed statement of income. Segment assets and liabilities comprise operating assets and liabilities.

During the previous year ended December 31, 2025, the Company revised its operating segment structure to align with changes in internal reporting and management oversight. Under the new structure, the Company has restructured its operations around three strategic pillars: Motor, Property & Casualty (P&C), and Term life. This change reflects a shift in how the business is managed internally and how performance is reported to and evaluated by the CODM. Accordingly, Motor Comp and Motor TPL now represent one 'Motor' segment and marine, property, engineering and accident & liability now represent a single 'Property & Casualty' segment. Comparative information for prior period has been restated to ensure consistency and comparability.

Segment assets do not include cash and cash equivalents, term deposits, investments, prepaid expenses and other assets, right-of-use assets, property and equipment, intangible assets, statutory deposit and accrued income on statutory deposit. Accordingly, these are included in unallocated assets.

Segment liabilities do not include accrued expenses and other liabilities, lease liabilities, zakat and income tax payable, and accrued income on statutory deposit payable to IA. Accordingly, these are included in unallocated liabilities.

These unallocated assets and liabilities are not reported to CODM under related segments and are monitored on a centralized basis.

The segment information provided to the Company's CODM for the reportable segments for the Company's total assets and liabilities at June 30, 2026 and December 31, 2025, its total revenues, expenses, and net income for the three-month and six-month periods then ended June 30, 2026 and June 30, 2025, are as follows:

23 Operating segments (continued)

For the three-month period ended June 30, 2026 (Unaudited)	**Motor**	**Property & Casualty**	**Term life**	**Total**
Insurance revenue	398,237	152,771	156,281	707,289
Insurance service expenses	(402,943)	(41,213)	(138,510)	(582,666)
Net expenses from reinsurance contracts	(6,694)	(71,414)	(32,456)	(110,564)
Insurance service result from Company's directly written business	**(11,400)**	**40,144**	**(14,685)**	**14,059**
Share of surplus from insurance pools	-	-	-	1,400
Total insurance service result	**(11,400)**	**40,144**	**(14,685)**	**15,459**
Net gains on investments measured at FVTPL				**4,580**
Commission income from financial assets not measured at FVTPL				**15,784**
Dividend income on investments measured at FVTPL				**43**
Net investment return				**20,407**
Net finance expense from insurance contracts	(1,157)	(760)	(103)	(2,020)
Net finance income from reinsurance contracts	1	480	87	568
Net insurance finance expense	**(1,156)**	**(280)**	**(16)**	**(1,452)**
Net insurance and investment result				**34,414**
Other income				**112**
Other operating expenses				**(11,442)**
Profit for the period attributable to the shareholders before zakat and income tax				**23,084**
Zakat				**(3,612)**
Income tax				**(138)**
Net profit for the period attributable to the shareholders				**19,334**

23 Operating segments (continued)

For the six-month period ended June 30, 2026 (Unaudited)	**Motor**	**Property & Casualty**	**Term life**	**Total**
Insurance revenue	742,253	293,849	306,467	1,342,569
Insurance service expenses	(783,022)	(93,284)	(304,281)	(1,180,587)
Net expenses from reinsurance contracts	3,326	(147,491)	(19,653)	(163,818)
Insurance service result from Company's directly written business	**(37,443)**	**53,074**	**(17,467)**	**(1,836)**
Share of surplus from insurance pools	-	-	-	1,400
Total insurance service result	**(37,443)**	**53,074**	**(17,467)**	**(436)**
Net gains on investments measured at FVTPL				**12,156**
Commission income from financial assets not measured at FVTPL				**29,484**
Dividend income on investments measured at FVTPL				**47**
Net investment return				**41,687**
Net finance expense from insurance contracts	(3,561)	(2,133)	(578)	(6,272)
Net finance income from reinsurance contracts	10	1,769	1,131	2,910
Net insurance finance (expense) / income	**(3,551)**	**(364)**	**553**	**(3,362)**
Net insurance and investment result				**37,889**
Other income				**204**
Other operating expenses				**(22,967)**
Profit for the period attributable to the shareholders before zakat and income tax				**15,126**
Zakat				**(5,725)**
Income tax				**(275)**
Net profit for the period attributable to the shareholders				**9,126**

23 Operating segments (continued)

For the three-month period ended June 30, 2025 (Unaudited) - Restated	Motor	Property & Casualty	Term life	Total
Insurance revenue	274,383	138,236	38,300	450,919
Insurance service expenses	(283,013)	(64,173)	(23,482)	(370,668)
Net expenses from reinsurance contracts	(6,613)	(60,365)	(11,473)	(78,451)
Insurance service result from Company's directly written business	(15,243)	13,698	3,345	1,800
Share of surplus from insurance pools	-	-	-	386
Total insurance service result	(15,243)	13,698	3,345	2,186
Net gains on investments measured at FVTPL				684
Commission income from financial assets not measured at FVTPL				14,760
Dividend income on investments measured at FVTPL				3
Net investment return				15,447
Net finance expense from insurance contracts	(1,200)	(1,826)	(364)	(3,390)
Net finance income from reinsurance contracts	-	1,638	375	2,013
Net insurance finance (expense) / income	(1,200)	(188)	11	(1,377)
Net insurance and investment result				16,256
Other income				77
Other operating expenses				(12,387)
Profit for the period attributable to the shareholders before zakat and income tax				3,946
Zakat				(3,350)
Income tax				(150)
Net profit for the period attributable to the shareholders				446

23 Operating segments (continued)

For the six-month period ended June 30, 2025 (Unaudited) - Restated	Motor	Property & Casualty	Term life	Total
Insurance revenue	550,718	273,068	79,300	903,086
Insurance service expenses	(566,539)	(28,201)	(60,802)	(655,542)
Net expenses from reinsurance contracts	(5,523)	(219,067)	(15,758)	(240,348)
Insurance service result from Company's directly written business	(21,344)	25,800	2,740	7,196
Share of surplus from insurance pools	-	-	-	1,060
Total insurance service result	(21,344)	25,800	2,740	8,256
Net gains on investments measured at FVTPL				2,040
Commission income from financial assets not measured at FVTPL				29,552
Dividend income on investments measured at FVTPL				7
Net investment return				31,599
Net finance expense from insurance contracts	(4,898)	(5,692)	(1,243)	(11,833)
Net finance income from reinsurance contracts	16	5,270	1,652	6,938
Net insurance finance (expense) / income	(4,882)	(422)	409	(4,895)
Net insurance and investment result				34,960
Other income				184
Other operating expenses				(21,460)
Profit for the period attributable to the shareholders before zakat and income tax				13,684
Zakat				(6,750)
Income tax				(250)
Net profit for the period attributable to the shareholders				6,684

During the six-month period ended June 30, 2026, the Company reported a net profit after zakat and income tax of SAR 9.1 million (June 30, 2025: net profit after zakat and income tax of SAR 6.7 million). This improved performance is primarily attributable to increase in the net insurance service result for the Property & Casualty portfolio.

23 Operating segments (continued)

As at June 30, 2026 (Unaudited)

	Motor	Property & Casualty	Term life	Total
Assets				
Reinsurance contract assets	**732**	**443,245**	**34,045**	**478,022**
Unallocated assets	**-**	**-**	**-**	**1,953,917**
Total assets				**2,431,939**
Liabilities				
Insurance contract liabilities	**852,275**	**626,916**	**203,191**	**1,682,382**
Reinsurance contract liability	**-**	**-**	**-**	**-**
Unallocated liabilities	-	-	-	**83,134**
Total liabilities				**1,765,516**

As at December 31, 2025 (Audited)

	Motor	Property & Casualty	Term life	Total
Assets				
Reinsurance contract assets	-	439,433	41,818	481,251
Unallocated assets	-	-	-	1,562,710
Total assets				2,043,961
Liabilities				
Insurance contract liabilities	652,594	591,007	44,362	1,287,963
Reinsurance contract liability	3,406	-	-	3,406
Unallocated liabilities	-	-	-	94,605
Total liabilities				1,385,974

24 Surplus distribution

As required by the Implementing Regulations and the by-laws of the Company, surplus arising from the Insurance Operations is distributed as follows:

Transfer to Shareholders' operations	90%
Transfer to Policyholders payable	10%
	100%

In case of deficit arising from insurance operations, the entire deficit is allocated and transferred to shareholders' operations.

25 Gross Written Premium

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

	For the three-month period ended June 30, 2026 - (Unaudited)			
Breakdown of GWP	**Motor**	**Property & casualty**	**Protection & Savings Group (Term life)**	**Total**
Retail	**107,594**	**8,654**	**-**	**116,248**
Very small	**29,877**	**3,836**	**2,246**	**35,959**
Small	**21,770**	**16,050**	**1,158**	**38,978**
Medium	**108,931**	**21,400**	**847**	**131,178**
Corporate	**104,392**	**57,731**	**156,831**	**318,954**
Total	**372,564**	**107,671**	**161,082**	**641,317**

25 Gross Written Premium (continued)

	For the six-month period ended June 30, 2026 - (Unaudited)			
Breakdown of GWP	**Motor**	**Property & casualty**	**Protection & Savings Group (Term life)**	**Total**
Retail	**203,252**	**26,161**	**-**	**229,413**
Very small	**64,293**	**7,738**	**2,348**	**74,379**
Small	**50,706**	**33,620**	**2,257**	**86,583**
Medium	**240,024**	**64,896**	**5,220**	**310,140**
Corporate	**382,414**	**144,997**	**308,814**	**836,225**
Total	**940,689**	**277,412**	**318,639**	**1,536,740**

	For the three-month period ended June 30, 2025 - (Unaudited)			
Breakdown of GWP	Motor	Property & casualty	Protection & Savings Group (Term life)	Total
Retail	77,322	15,568	-	92,890
Very small	17,438	6,983	248	24,669
Small	20,283	18,659	1,198	40,140
Medium	14,386	25,784	4,808	44,978
Corporate	136,437	40,146	21,114	197,697
Total	265,866	107,140	27,368	400,374

	For the six-month period ended June 30, 2025 - (Unaudited)			
Breakdown of GWP	Motor	Property & casualty	Protection & Savings Group (Term life)	Total
Retail	164,452	25,816	-	190,268
Very small	28,289	10,926	504	39,719
Small	46,939	45,859	3,179	95,977
Medium	62,249	82,967	8,350	153,566
Corporate	278,026	114,852	38,375	431,253
Total	579,955	280,420	50,408	910,783

Total insurance revenue of SAR 707 million for the three-month period ended June 30, 2026 (2025: SAR 451 million) is calculated through adjustment of SAR 66 million (2025: SAR 51 million) for the remaining coverage period and the expected premium receipts which reconcile to the total gross written premium of SAR 641 million (2025: SAR 400 million).

Total insurance revenue of SAR 1,343 million for the six-month period ended June 30, 2026 (2025: SAR 903 million) is calculated through adjustment of SAR 194 million (2025: SAR 8 million) for the remaining coverage period and the expected premium receipts which reconcile to the total gross written premium of SAR 1,537 million (2025: SAR 911 million).

26 Net Written Premium

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

	For the three-month period ended June 30, 2026 - (Unaudited)			
Item	**Motor**	**Property & casualty**	**Protection & Savings Group (Term life)**	**Total**
Gross written premium	**372,564**	**107,671**	**161,082**	**641,317**
Reinsurance premium ceded – globally (including excess of loss)	**-**	**(3,637)**	**(3,453)**	**(7,090)**
Reinsurance premium ceded – locally (including excess of loss)	**(5,104)**	**(66,438)**	**(76,680)**	**(148,222)**
Net written premium - total	**367,460**	**37,596**	**80,949**	**486,005**

26 Net Written Premium (continued)

	For the six-month period ended June 30, 2026 - (Unaudited)			
Item	**Motor**	**Property & casualty**	**Protection & Savings Group (Term life)**	**Total**
Gross written premium	**940,689**	**277,412**	**318,639**	**1,536,740**
Reinsurance premium ceded – globally (including excess of loss)	**-**	**(11,466)**	**(8,521)**	**(19,987)**
Reinsurance premium ceded – locally (including excess of loss)	**(8,435)**	**(163,138)**	**(150,530)**	**(322,103)**
Net written premium - total	**932,254**	**102,808**	**159,588**	**1,194,650**

	For the three-month period ended June 30, 2025 - (Unaudited)			
Item	Motor	Property & casualty	Protection & Savings Group (Term life)	Total
Gross written premium	265,866	107,140	27,368	400,374
Reinsurance premium ceded – globally (including excess of loss)	-	(5,601)	(2,314)	(7,915)
Reinsurance premium ceded – locally (including excess of loss)	(5,266)	(69,971)	(14,360)	(89,597)
Net written premium - total	260,600	31,568	10,694	302,862

	For the six-month period ended June 30, 2025 - (Unaudited)			
Item	Motor	Property & casualty	Protection & Savings Group (Term life)	Total
Gross written premium	579,955	280,420	50,408	910,783
Reinsurance premium ceded – globally (including excess of loss)	-	(18,017)	(9,477)	(27,494)
Reinsurance premium ceded – locally (including excess of loss)	(5,971)	(183,275)	(23,053)	(212,299)
Net written premium - total	573,984	79,128	17,878	670,990

Total allocation of reinsurance premium paid of SAR 164 million for the three-month period ended June 30, 2026 (2025: SAR 124 million) is calculated through adjustment of SAR 9 million (2025: SAR 26 million) for the remaining coverage period net of reinsurance commission which reconcile to the total reinsurance premium ceded (including excess of loss) of SAR 155 million (2025: SAR 98 million).

Total allocation of reinsurance premium paid of SAR 334 million for the six-month period ended June 30, 2026 (2025: SAR 247 million) is calculated through adjustment of SAR 8 million (2025: SAR 7 million) for the remaining coverage period net of reinsurance commission which reconcile to the total reinsurance premium ceded (including excess of loss) of SAR 342 million (2025: SAR 240 million).

27 Subsequent events

There have been no significant subsequent events since the period end, that would require disclosures or adjustments in these condensed interim financial statements.

28 Approval of the financial statements

These condensed interim financial statements have been approved by the Board of Directors on August 09, 2026 corresponding to Safar 26, 1448 H.