

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITORS' REVIEW REPORT
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

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THE INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

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

INTRODUCTION

We have reviewed the accompanying interim condensed statement of financial position of **Allied Cooperative Insurance Group (the "Company")** as at 30 September 2025, and the related interim condensed statements of income, comprehensive income for the three and nine month periods then ended and changes in equity and cash flows for the nine month period then ended and a summary of material accounting policies and other explanatory notes ("interim condensed financial statements"). Management is responsible for the preparation and presentation of these interim condensed 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 interim condensed financial statements based on our review.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements as at and for the period ended September 30, 2025, of the Company are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2 (c) to the interim condensed financial statements of the Company. As of 30 September 2025, the Company did not meet the prudential solvency margin requirement and the Company's accumulated losses stands at SAR 134.87 million (31 December 2024: SAR 92.37 million), representing 46.35% of the share capital (31 December 2024: 31.75%). These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the accompanying interim condensed financial statements are prepared using the going-concern assumption based on management's assessment of the Company's abilities to continue as a going concern as detailed in the above referred note. Our opinion is not modified with respect to this matter.

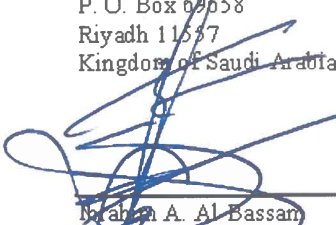
**THE INDEPENDENT AUDITORS' REVIEW REPORT
ON THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on the information that has been made available to us and disclosed in Note 2 (c) of the accompanying interim condensed financial statements, the Company is not in compliance with solvency margin requirements as per Article 68 of the Implementation Regulations for Insurance Companies.

PKF Al Bassam
Chartered Accountants
P. O. Box 69658
Riyadh 11557
Kingdom of Saudi Arabia




Ibrahim A. Al Bassam
Certified Public Accountant
License No. 337

AlKharashi & Co.
Certified Accountants and Auditors
P.O. Box 8306
Riyadh 11482
Kingdom of Saudi Arabia



Abdullah S. Al Msned
Certified Public Accountant
License No. 456

Dated: November 9, 2025
Corresponding to: Jumada Al Oula
18, 1447



ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

		SAR '000	
	Notes	30 September 2025 (Unaudited)	31 December 2024 (Audited)
ASSETS			
Cash and cash equivalents	6	386,719	654,668
Investments	7	516,443	90,291
Reinsurance contract assets	4	77,423	68,420
Prepayments and other receivables		23,711	18,378
Right-of-use asset, net		5,066	7,543
Accrued income on statutory deposit		502	1,253
Property and equipment, net		7,527	3,544
Intangible assets, net		6,844	6,782
Statutory deposit	8	43,650	43,650
TOTAL ASSETS		1,067,885	894,529
LIABILITIES			
Accruals and other payables		37,768	21,039
Insurance contract liabilities	4	788,304	586,468
Lease liabilities		3,408	6,750
Provision for zakat	9	6,474	8,479
Employees' terminal benefits		18,262	17,389
Accrued income on statutory deposit payable to Insurance Authority		502	1,253
TOTAL LIABILITIES		854,718	641,378
EQUITY			
Share capital	10	291,000	291,000
Accumulated losses		(134,872)	(92,379)
Fair values reserve on investments		61,743	59,234
Re-measurement reserve of employees' terminal benefits		(4,704)	(4,704)
TOTAL EQUITY		213,167	253,151
TOTAL LIABILITIES AND EQUITY		1,067,885	894,529

Contingencies and Commitments

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The accompanying notes 1 to 19 form an integral part of these interim condensed financial statements.

Member of Board of Directors

Chief Executive Officer

Chief Financial Officer

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF INCOME-(UNAUDITED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

	Notes	SAR '000			
		For the three month period ended		For the nine month period ended	
		30 September 2025 (Unaudited)	30 September 2024 (Unaudited)	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Insurance revenue	4	243,999	251,842	654,226	698,979
Insurance service expenses	4 & 15	(311,031)	(255,512)	(689,803)	(670,797)
Insurance service result before reinsurance contracts held		(67,032)	(3,670)	(35,577)	28,182
Amounts recoverable from reinsurance	4	25,977	19,148	61,434	59,391
Allocation of reinsurance premiums	4	(22,546)	(23,004)	(63,458)	(69,211)
Net expenses from reinsurance contracts held		3,431	(3,856)	(2,024)	(9,820)
Share of Surplus from insurance pools	-	852	2,791	3,413	3,909
Insurance service result		(62,749)	(4,735)	(34,188)	22,271
Commission income from financial assets measured at amortised cost		4,403	11,265	9,262	32,435
Other investment (loss) / income including gain on disposal		(399)	516	4,247	921
Fair value gain on investments		10,951	-	6,785	-
ECL reversed / (charge) on financial assets		21	-	330	(219)
Net investment income		14,976	11,781	20,624	33,137
Net finance (expense) / income from insurance contracts issued	4	(475)	(1,281)	(2,140)	204
Net finance (expense) / income from reinsurance contracts held	4	(124)	221	7	241
Net insurance finance (expense) / income		(599)	(1,060)	(2,133)	445
Net insurance and investment result		(48,372)	5,986	(15,697)	55,853
Other operating expenses	14	(8,420)	(6,058)	(24,232)	(21,436)
Net (loss) / profit for the period, before zakat & income tax, attributable to the shareholders		(56,792)	(72)	(39,929)	34,417
Zakat (charged) / reversed during the period	9	(816)	3,000	(2,564)	(3,600)
Net (loss) / profit for the period, after zakat & income tax, attributable to the shareholders		(57,608)	2,928	(42,493)	30,817
Weighted average number of outstanding ordinary shares (in thousands)		29,100	29,100	29,100	29,100
Basic and diluted (loss) / earnings per share for the period (SAR per share)		(1.98)	0.10	(1.46)	1.06

The accompanying notes 1 to 19 form an integral part of these interim condensed financial statements.

Member of Board of Directors

Chief Executive Officer

Chief Financial Officer

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)


INTERIM CONDENSED STATEMENT OF OTHER COMPREHENSIVE INCOME-(UNAUDITED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

	SAR '000			
	For the three-month period ended		For the nine month period ended	
	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Net (loss) / profit for the period, after zakat & income tax, attributable to the shareholders	(57,608)	2,928	(42,493)	30,817
<i>Items that will not be reclassified to interim condensed statement of income in subsequent periods</i>				
Investments at fair value through other comprehensive income				
- Net change in fair value of FVOCI Investments	-	-	2,509	-
- Actuarial losses on employees' terminal benefits	-	-	-	-
Total other comprehensive income for the period	-	-	2,509	-
Total comprehensive (loss) / income for the period	(57,608)	2,928	(39,984)	30,817

The accompanying notes 1 to 19 form an integral part of these interim condensed financial statements.


Member of Board of Directors


Chief Executive Officer


Chief Financial Officer

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

30 September 2025 (Unaudited)

Balance as at 01 January 2025 (Audited)

Net loss for the period, after zakat & income tax, attributable to the shareholders

Net change in fair value of FVOCI Investments

Total comprehensive loss for the period

Balance as at 30 September 2025 (Unaudited)

30 September 2024 (Unaudited)

Balance as at 01 January 2024 (Audited)

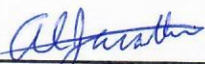
Net profit for the period, after zakat & income tax, attributable to the shareholders

Total comprehensive income attributable to the shareholders

Balance as at 30 September 2024 (Unaudited)

The accompanying notes 1 to 19 form an integral part of these interim condensed financial statements.

SAR'000				
Share capital	Accumulated losses	Fair value reserve for investments	Re-measurement reserve of employees' terminal benefits	Total
291,000	(92,379)	59,234	(4,704)	253,151
-	(42,493)	-	-	(42,493)
-	-	2,509	-	2,509
-	(42,493)	2,509	-	(39,984)
291,000	(134,872)	61,743	(4,704)	213,167
291,000	(73,998)	41,543	(4,202)	254,343
-	30,817	-	-	30,817
-	30,817	-	-	30,817
291,000	(43,181)	41,543	(4,202)	285,160



Member of Board of Directors



Chief Executive Officer



Chief Financial Officer

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

	SAR '000'	
	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / profit for the period, before zakat & income tax, attributable to the shareholders	(39,929)	34,417
Adjustments for non-cash items:		
Depreciation of property and equipment	1,811	1,544
Adjustment of property and equipment	(3,274)	(3,274)
Depreciation of right of use assets	2,477	2,646
Finance cost on lease liability	140	216
Amortisation of intangible assets	1,397	1,367
Commission income from financial assets measured at amortised costs.	(9,262)	(32,435)
Gain on disposal of investments	(2,554)	(6)
Other investment income	(1,693)	(921)
Fair value gain on investments	(6,785)	-
Employees' terminal benefits	1,800	1,756
Net ECL charge on financial assets	(330)	219
	(56,202)	5,529
Changes in operating assets and liabilities:		
Insurance contract liabilities	201,837	31,697
Reinsurance contract assets	(9,003)	(13,884)
Accruals and other payables	17,058	3,013
Prepayments and other receivables	(5,333)	(19,391)
	148,357	6,964
Employees' terminal benefits paid	(927)	(1,571)
Zakat and income tax paid	(4,569)	(10,243)
Net cash generated from / (used in) operating activities	142,861	(4,850)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(2,520)	(713)
Purchase of Intangible assets	(1,459)	(1,840)
Purchase of investments	(614,511)	(29,111)
Proceed from sale of Investments	200,207	536
Commission income from financial assets measured at amortised costs	9,262	32,435
Investment income received	1,693	-
Net cash (used in) / generated from from investing activities	(407,328)	1,307
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liability	(3,482)	(3,482)
Net cash used in financing activities	(3,482)	(3,482)
Net change in cash and cash equivalents	(267,949)	(7,025)
Cash and cash equivalents, at the beginning of the period	654,668	141,633
Cash and cash equivalents, at the end of the period	386,719	134,608
NON CASH INFORMATION		
Net change in fair value of FVOCI Investments	2,509	-

The accompanying notes 1 to 19 form an integral part of these interim condensed financial statements.

Member of Board of Directors

Chief Executive Officer

Chief Financial Officer

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

1 ORGANIZATION AND PRINCIPAL ACTIVITIES

Allied Cooperative Insurance Group ("the Company" or "ACIG") is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia under Commercial Registration No. 1010417178 dated Shabaan 9,1428H, corresponding to 22 August 2007. The registered office of the Company is situated at Hteen district, Prince Turki bin Abdulaziz Road, Riyadh.

The activities of the Company are to transact cooperative insurance operations and related activities in the Kingdom of Saudi Arabia. On 4 April, 2009, the Company received a license from the Saudi Central Bank ("SAMA") to engage in insurance in Saudi Arabia. The Company commenced its commercial operations on 1 July 2009. The Company was listed on the Saudi Stock Exchange (Tadawul) on 27 August 2007.

The Company has 3 registered branches as set out below:

Branch	Commercial Registration Number	Place of issuance	Date
Branch of ACIG	2051043671	Al Khobar	12 Ramadan 1439
Branch of ACIG	5855035150	Khamis Mushayt	12 Ramadan 1439
Branch of ACIG	4030204059	Jeddah	12 Ramadan 1439

The Board of Directors approved the distribution of the surplus from insurance operations in accordance with the Insurance Implementing Regulations issued by Insurance Authority (IA), whereby the 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 on insurance operations is transferred to the shareholders' operations in full. Post implementation of IFRS 17, the surplus payable is included in the insurance contract liabilities under LIC.

2 BASIS OF PREPARATION

(a) Statement of compliance

The interim condensed financial statements of the Company have 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 pronouncement issued by Saudi Organisation for Chartered and Professional Accountants ("SOCPA").

The interim condensed statement of financial position, statements of income, comprehensive income of the insurance operations and shareholders operations which are presented in Note 16 of the interim condensed financial statements have been provided as supplementary financial information to comply with the requirements of the Insurance Implementing Regulations and is not required under IFRSs. The implementing regulations requires the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders operations. Accordingly, the statements of financial position, statements of income, comprehensive income and cash flows prepared for the insurance operations and shareholders operations as referred to above, reflect only the assets, liabilities, income, expenses and comprehensive gains or losses of the respective operations.

(b) Basis of Measurement

The interim condensed financial statements are prepared under the going concern basis and the historical cost convention, except for the measurement of fair value through other comprehensive income (FVOCI) and liabilities for defined benefit obligations [Employees' end of service benefits ("EOSBs")] recorded at the present value using the projected unit credit method. The Company's interim condensed statement of financial position is presented in order of liquidity. The current and non-current classification of the assets and liabilities have not changed since the year ended 31 December 2024.

The interim condensed financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as of and for the year ended 31 December 2024. The interim condensed financial statements may not be considered indicative of the expected results for the full year.

(c) Going concern

The Company has posted a net comprehensive loss of SAR 39.9 million for the nine-month period ended 30 September 2025 (net comprehensive income of SAR 30.82 million for the nine-month period ended 30 September 2024). As of 30 September 2025, the Company did not meet the prudential solvency margin requirement, and the Company's accumulated losses stand at SAR 134.87 million (31 December 2024: SAR 92.38 million), representing 46.35% of the share capital (31 December 2024: 31.75%). These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

However, the Company's management has developed a five-year plan, approved by the Board of Directors, which projects a return to profitability beginning this year. The plan includes measures such as expanding digital channels, enhancing customer experience, investment diversification, strengthening broker networks, improving operational efficiency, and investing in technology and talent. The strategy also focuses on diversifying products, optimizing pricing, and penetrating new market segments. Based on these planned initiatives and management's expectations of future performance, the interim condensed financial statements have been prepared on a going concern basis.

The Company's share capital of SAR 291 million does not meet the SAR 300 million minimum capital required under Article 6 of the Insurance Implementing Regulations. On August 27, 2025, the Insurance Authority approved a capital increase to SAR 300 million through the issuance of 900,000 ordinary shares valued at SAR 9 million, all to be subscribed by Diar Al-Arabia Investment Company. The approval is valid for one year, subject to obtaining CMA and Tadawul approvals. Management is currently appointing advisors and completing due diligence for the capital increase.

2 BASIS OF PREPARATION-(CONTINUED)

(d) Critical accounting judgments, estimates and assumptions

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

(1) Unit of account

Judgement is involved in the identification of portfolios of contracts, as required by IFRS 17 (that is, having similar risks and being managed together). Aggregation of insurance contracts issued on initial recognition into groups of onerous contracts, groups of contracts with no significant possibility of becoming onerous, and groups of other contracts. Similar grouping assessment is required for reinsurance contracts held. Areas of potential judgements include:

- the determination of contract sets within portfolios and whether the Company has reasonable and supportable information to conclude that all contracts within a set would fall into the same group, as required by IFRS 17; and
- judgements might be applied on initial recognition to distinguish between non-onerous contracts (those having no significant possibility of becoming onerous) and other contracts.

For insurance contracts issued which are measured under the PAA, management judgement might be required to assess whether facts and circumstances indicate that a group of contracts has become onerous. Further, judgement is required to assess whether facts and circumstances indicate that any changes in the onerous group's profitability and whether any loss component remeasurement is required.

(2) Discount rates

Under the bottom-up approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity premium'). Management uses judgement to assess liquidity characteristics of the liability cash flows.

(3) Methods used to measure the risk adjustment for non-financial risk

Judgement is involved in assessing the most appropriate method to estimate the risk adjustment for non-financial risk and also to choose the most appropriate confidence level to which the risk adjustment for non-financial risk should correspond. The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the expected favourable and unfavourable outcomes in a way that reflects the Company's degree of risk aversion.

(4) Measurement of the Expected Credit Losses allowance (ECL)

Assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL requires the use of complex models and significant assumptions about future economic conditions and credit behavior. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held). A number of factors are also considered in applying the accounting requirements for measuring ECL, such as:

- determining the criteria for significant increase in credit risk;
- determining the criteria and definition of default;
- choosing appropriate models and assumptions for the measurement of ECL; and
- establishing groups of similar financial assets for the purposes of measuring ECL

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

2 BASIS OF PREPARATION-(CONTINUED)**(d) Critical accounting judgments, estimates and assumptions-(Continued)****5) Fair value of financial instruments**

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price. Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but if

As of the reporting date, the company has invested in a newly established investment fund. Due to the unavailability of an official valuation and financial statements for the fund at period-end, the investment has been accounted for in accordance with IFRS 9 – Financial Instruments. In accordance with IFRS 9, investments in investment funds are typically measured at Fair Value Through Profit or Loss (FVTPL) or Fair Value Through Other Comprehensive Income (FVOCI). However, in the absence of a reliable fair value estimate, cost has been used as a temporary measure in accordance with IFRS 9 guidance.

Fair Value Estimation Considerations:

- As no official audited or draft financial statements are available at the reporting date, the investment is recognized at its initial cost.
- Once a reliable fair value estimate becomes available, the investment will be remeasured in accordance with IFRS 9.

6) Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.

The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analyzed by accident years, but can also be further analyzed by geographical area, as well as by significant business lines and claim types.

Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims' development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims. That present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency exchange rates

(d) Functional currency

These interim condensed financial statements are expressed in Saudi Arabian Riyals (SAR) and all amounts are rounded off to the nearest thousand, unless otherwise indicated.

3 MATERIAL ACCOUNTING POLICIES

The accounting policies used in the preparation of these interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2024 except for policy of share of surplus from insurance pools as below;

Share of income from insurance pool includes income from employers delinquency pool income. On 6 October 2024, The Employers' Delinquency ("ED") product contract was signed between Al Etihad Cooperative Insurance Company ("Operator") and Ministry of Human Resources and Social Development ("HRSD") for the insurance of the financial dues of non-Saudi workers in the private sector, in cooperation with a number of Saudi insurance and Reinsurance companies, and, in accordance with the agreed terms and conditions and the insurance policy approved by the Insurance Authority. The signed policy represents the cooperation between the Government Entity and the Insurance Authority to protect financial rights of non-Saudi workers in delinquent entities. On 3 November 2024, co-insurance agreement was signed among nineteen insurance companies ("Participating Companies") operating in Kingdom of Saudi Arabia for Employers' Delinquency ("ED") Pool, based on the approval of Insurance Authority authorizing Al-Etihad Cooperative Insurance Company as the leading company ("Operator"), to manage the ED Pool on behalf of the participating insurance companies, selling the product and providing its insurance coverage by creating joint insurance portfolios.

New IFRS standards, IFRIC interpretations and amendments thereof, adopted by the Company:

Standard, interpretation, amendments	Description	Effective date
Amendments to IAS 21 – Lack of Exchangeability	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at measurement date for a specific purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay) and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. There is no material impact on the Company.	Annual periods beginning on or after 1st January 2025

Standards issued but not yet effective:

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28	Amendments to IFRS 10 consolidated financial statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date deferred indefinitely
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	Annual periods beginning on or after 1st January 2026 (early adoption is available)
IFRS 19 Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.	Annual reporting periods beginning on or after 1st January 2027.
IFRS 18 – Presentation and disclosure in financial statements.	IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.	

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

4 INSURANCE AND REINSURANCE CONTRACTS BALANCES

	SAR'000				
	Medical	Motor	General Accident	Others	Total
30 September 2025 (Unaudited)					
Insurance contract liabilities	104,946	513,102	153,574	16,682	788,304
Reinsurance contract assets	(53,374)	(3,455)	(5,260)	(15,334)	(77,423)
Net insurance and reinsurance contract liabilities	51,572	509,647	148,314	1,348	710,881

31 December 2024 (Audited)

Insurance contract liabilities	86,696	325,676	162,436	11,660	586,468
Reinsurance contract assets	(33,287)	(5,379)	(5,556)	(24,198)	(68,420)
Net insurance and reinsurance contract liabilities	53,409	320,297	156,880	(12,538)	518,048

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-(CONTINUED)
4.1 Movement in insurance contract assets and liabilities
Insurance contracts
Analysis by remaining coverage and incurred claims

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	328,672	39,096	209,547	9,153	586,468	352,122	2,838	214,752	9,412	579,124
Insurance Revenue	654,226	-	-	-	654,226	883,353	-	-	-	883,353
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	577,888	5,162	583,050	-	-	725,344	7,250	732,594
Losses / (reversal of those losses) on onerous contracts	-	13,244	-	-	13,244	-	36,258	-	-	36,258
Changes that relate to past service - adjustments to the LIC	-	-	(5,863)	(7,174)	(13,037)	-	-	(35,798)	(7,536)	(43,334)
Surplus distribution to policyholders	-	-	6,096	-	6,096	-	-	-	-	-
Insurance acquisition cash flows amortization	100,450	-	-	-	100,450	153,244	-	-	-	153,244
Insurance service expenses	100,450	13,244	578,121	(2,012)	689,803	153,244	36,258	689,546	(286)	878,762
Insurance service result	553,776	(13,244)	(578,121)	2,012	(35,577)	730,109	(36,258)	(689,546)	286	4,591
Net finance (expenses) / income from insurance contracts	-	-	(2,038)	(102)	(2,140)	-	-	767	(27)	740
Cash flows										
Premiums received	919,660	-	-	-	919,660	859,228	-	-	-	859,228
Claims paid	-	-	(589,410)	-	(589,410)	-	-	(638,296)	-	(638,296)
Other directly attributable expenses paid	-	-	(39,593)	-	(39,593)	-	-	(55,688)	-	(55,688)
Insurance acquisition cash flows paid	(126,538)	-	-	-	(126,538)	(152,569)	-	-	-	(152,569)
Total cash flows	793,122	-	(629,003)	-	164,119	706,659	-	(693,984)	-	12,675
Closing insurance contract liabilities	568,018	52,340	160,703	7,243	788,304	328,672	39,096	209,547	9,153	586,468

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

4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-(CONTINUED)

4.1 Movement in insurance contract assets and liabilities-(Continued)

Insurance contracts

Analysis by remaining coverage and incurred claims

4.1.A Medical

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	22,513	19,078	44,367	738	86,696	28,183	2,798	52,882	753	84,616
Insurance Revenue	112,132	-	-	-	112,132	176,524	-	-	-	176,524
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	101,572	864	102,437	-	-	181,510	746	182,256
Losses /(reversals) on onerous contracts	-	(6,143)	-	-	(6,143)	-	16,280	-	-	16,280
Changes that relate to past service - adjustments to the LIC	-	-	(12,752)	(730)	(13,482)	-	-	(5,275)	(839)	(6,114)
Surplus distribution to policyholders	-	-	-	-	-	-	-	-	-	-
Insurance acquisition cash flows amortization	18,838	-	-	-	18,838	30,068	-	-	-	30,068
Insurance service expenses	18,838	(6,143)	88,820	134	101,650	30,068	16,280	176,235	(93)	222,490
Insurance service result	93,294	6,143	(88,820)	(134)	10,482	146,456	(16,280)	(176,235)	93	(45,966)
Net finance income / (expenses) from insurance contracts	-	-	19	1	20	-	-	(156)	(78)	(234)
Cash flows										
Premiums received	148,346	-	-	-	148,346	158,857	-	-	-	158,857
Claims paid	-	-	(84,397)	-	(84,397)	-	-	(172,305)	-	(172,305)
Other directly attributable expenses paid	-	-	(8,973)	-	(8,973)	-	-	(12,601)	-	(12,601)
Insurance acquisition cash flows paid	(26,224)	-	-	-	(26,224)	(18,071)	-	-	-	(18,071)
Total cash flows	122,122	-	(93,370)	-	28,752	140,786	-	(184,906)	-	(44,120)
Closing insurance contract liabilities	51,341	12,935	39,798	871	104,946	22,513	19,078	44,367	738	86,696

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

4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-

4.1 Movement in insurance contract assets and liabilities-(Continued)

Insurance contracts

Analysis by remaining coverage and incurred claims

4.1.B Motor

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	181,457	14,156	122,828	7,235	325,676	299,326	40	132,714	7,988	440,068
Insurance Revenue	417,559	-	-	-	417,559	611,174	-	-	-	611,174
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	370,291	3,587	373,878	-	-	469,897	5,772	475,669
Losses on onerous contracts	-	22,634	-	-	22,634	-	14,116	-	-	14,116
Changes that relate to past service - adjustments to the LIC	-	-	(4,334)	(5,931)	(10,265)	-	-	(27,528)	(6,354)	(33,882)
Surplus distribution to policyholders	-	-	6,096	-	6,096	-	-	-	-	-
Insurance acquisition cash flows amortization	61,438	-	-	-	61,438	110,947	-	-	-	110,947
Insurance service expenses	61,438	22,634	372,053	(2,344)	453,781	110,947	14,116	442,369	(582)	566,850
Insurance service result	356,121	(22,634)	(372,053)	2,344	(36,222)	500,227	(14,116)	(442,369)	582	44,324
Net finance (expenses) / income from insurance contracts	-	-	(2,094)	(102)	(2,196)	-	-	460	171	631
Cash flows										
Premiums received	658,525	-	-	-	658,525	479,081	-	-	-	479,081
Claims paid	-	-	(401,489)	-	(401,489)	-	-	(427,270)	-	(427,270)
Other directly attributable expenses paid	-	-	(17,763)	-	(17,763)	-	-	(24,525)	-	(24,525)
Insurance acquisition cash flows paid	(90,265)	-	-	-	(90,265)	(96,723)	-	-	-	(96,723)
Total cash flows	568,260	-	(419,252)	-	149,008	382,358	-	(451,795)	-	(69,437)
Closing insurance contract liabilities	393,596	36,790	77,723	4,993	513,102	181,457	14,156	122,828	7,235	325,676

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
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4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-(CONTINUED)

4.1 Movement in insurance contract assets and liabilities-(Continued)

Insurance contracts

Analysis by remaining coverage and incurred claims

4.1.C General Accident

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	115,793	5,862	39,655	1,126	162,436	19,243	-	26,155	650	46,048
Insurance Revenue	105,602	-	-	-	105,602	67,871	-	-	-	67,871
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	103,250	700	103,950	-	-	67,953	679	68,632
Losses /(reversals) on onerous contracts	-	(3,247)	-	-	(3,247)	-	5,862	-	-	5,862
Changes that relate to past service - adjustments to the LIC	-	-	11,341	(498)	10,843	-	-	(2,478)	(316)	(2,794)
Surplus distribution to policyholders	-	-	-	-	-	-	-	-	-	-
Insurance acquisition cash flows amortization	18,073	-	-	-	18,073	9,927	-	-	-	9,927
Insurance service expenses	18,073	(3,247)	114,591	202	129,619	9,927	5,862	65,475	363	81,627
Insurance service result	87,529	3,247	(114,591)	(202)	(24,017)	57,944	(5,862)	(65,475)	(363)	(13,756)
Net finance income / (expenses) from insurance contracts	-	-	60	1	61	-	-	471	(113)	358
Cash flows										
Premiums received	92,356	-	-	-	92,356	188,914	-	-	-	188,914
Claims paid	-	-	(103,066)	-	(103,066)	-	-	(35,279)	-	(35,279)
Other directly attributable expenses paid	-	-	(10,457)	-	(10,457)	-	-	(16,225)	-	(16,225)
Insurance acquisition cash flows paid	(11,651)	-	-	-	(11,651)	(34,420)	-	-	-	(34,420)
Total cash flows	80,705	-	(113,523)	-	(32,818)	154,494	-	(51,504)	-	102,990
Closing insurance contract liabilities	108,969	2,615	40,663	1,327	153,574	115,793	5,862	39,655	1,126	162,436

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4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-(CONTINUED)

4.1 Movement in insurance contract assets and liabilities-(Continued)

Insurance contracts

Analysis by remaining coverage and incurred claims

4.1.D Others

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	8,909	-	2,697	54	11,660	5,369	-	3,002	21	8,392
Insurance Revenue	18,933	-	-	-	18,933	27,784	-	-	-	27,784
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	2,774	11	2,785	-	-	5,985	53	6,038
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	(118)	(15)	(133)	-	-	(518)	(25)	(543)
Surplus distribution to policyholders	-	-	-	-	-	-	-	-	-	-
Insurance acquisition cash flows amortization	2,101	-	-	-	2,101	2,303	-	-	-	2,303
Insurance service expenses	2,101	-	2,656	(4)	4,753	2,303	-	5,467	28	7,798
Insurance service result	16,832	-	(2,656)	4	14,180	25,481	-	(5,467)	(28)	19,986
Net finance expenses from insurance contracts	-	-	(23)	(2)	(25)	-	-	(8)	(5)	(13)
Cash flows										
Premiums received	20,433	-	-	-	20,433	32,376	-	-	-	32,376
Claims paid	-	-	(458)	-	(458)	-	-	(3,442)	-	(3,442)
Other directly attributable expenses paid	-	-	(2,400)	-	(2,400)	-	-	(2,338)	-	(2,338)
Insurance acquisition cash flows paid	1,602	-	-	-	1,602	(3,355)	-	-	-	(3,355)
Total cash flows	22,035	-	(2,858)	-	19,177	29,021	-	(5,780)	-	23,241
Closing insurance contract liabilities	14,112	-	2,518	52	16,682	8,909	-	2,697	54	11,660

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4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-(CONTINUED)

4.2 Movement in reinsurance contract assets and liabilities-(Continued)

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total
Reinsurance contracts held										
Opening reinsurance contract assets	20,989	7,898	39,125	408	68,420	25,585	1,258	30,570	401	57,814
Allocation of reinsurance premiums	(63,458)	-	-	-	(63,458)	(94,528)	-	-	-	(94,528)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	49,436	371	49,807	-	-	78,993	331	79,324
(Losses) / reversals on onerous contracts	-	(1,441)	-	-	(1,441)	-	6,640	-	-	6,640
Changes that relate to past service - adjustments to the LIC	-	-	13,381	(313)	13,068	-	-	(22,500)	(324)	(22,824)
	-	(1,441)	62,817	58	61,434	-	6,640	56,493	7	63,140
Reinsurance results	(63,458)	(1,441)	62,817	58	(2,024)	(94,528)	6,640	56,493	7	(31,388)
Net finance income from reinsurance contracts	-	-	6	1	7	-	-	107	-	107
Cash flows										
Premiums paid	(87,206)	-	-	-	(87,206)	(94,347)	-	-	-	(94,347)
Claims received	-	-	71,809	-	71,809	-	-	48,045	-	48,045
Fixed commission income	4,377	-	-	-	4,377	4,415	-	-	-	4,415
Total cash flows	(82,829)	-	71,809	-	(11,020)	(89,932)	-	48,045	-	(41,887)
Closing reinsurance contract assets	40,360	6,457	30,139	467	77,423	20,989	7,898	39,125	408	68,420

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

4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-(CONTINUED)

4.2 Movement in reinsurance contract assets and liabilities-(Continued)

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

4.2.A Medical

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total
Reinsurance contracts held										
Opening reinsurance contract assets	15,142	7,898	9,960	287	33,287	19,217	1,258	14,271	373	35,119
Allocation of reinsurance premiums	(38,858)	-	-	-	(38,858)	(58,966)	-	-	-	(58,966)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	49,230	365	49,595	-	-	77,721	289	78,010
(Losses) / reversals on onerous contracts	-	(1,441)	-	-	(1,441)	-	6,640	-	-	6,640
Changes that relate to past service - adjustments to the LIC	-	-	733	(282)	451	-	-	(2,616)	(377)	(2,993)
	-	(1,441)	49,963	83	48,605	-	6,640	75,105	(88)	81,657
Reinsurance results	(38,858)	(1,441)	49,963	83	9,747	(58,966)	6,640	75,105	(88)	22,691
Net finance (expenses) / income from reinsurance contracts	-	-	(26)	-	(26)	-	-	84	2	86
Cash flows										
Premiums paid	(57,460)	-	-	-	(57,460)	(54,891)	-	-	-	(54,891)
Claims received	-	-	47,094	-	47,094	-	-	79,500	-	79,500
Fixed commission income	-	-	-	-	-	-	-	-	-	-
Total cash flows	(57,460)	-	47,094	-	(10,366)	(54,891)	-	79,500	-	24,609
Closing reinsurance contract assets	33,744	6,457	12,803	370	53,374	15,142	7,898	9,960	287	33,287

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-(CONTINUED)

4.2 Movement in reinsurance contract assets and liabilities-(Continued)

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

4.2.B Motor

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total
Reinsurance contracts held										
Opening reinsurance contract assets	-	-	5,300	79	5,379	-	-	5,954	-	5,954
Allocation of reinsurance premiums	(3,949)	-	-	-	(3,949)	(5,178)	-	-	-	(5,178)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	-	-	-	-	-	-	-	-
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	(488)	(24)	(512)	-	-	(1,393)	80	(1,313)
	-	-	(488)	(24)	(512)	-	-	(1,393)	80	(1,313)
Reinsurance results	(3,949)	-	(488)	(24)	(4,461)	(5,178)	-	(1,393)	80	(6,491)
Net finance income / (expenses) from reinsurance contracts	-	-	8	-	8	-	-	20	(1)	19
Cash flows										
Premiums paid	(3,949)	-	-	-	(3,949)	(5,178)	-	-	-	(5,178)
Claims received	-	-	1,420	-	1,420	-	-	(719)	-	(719)
Fixed commission income	-	-	-	-	-	-	-	-	-	-
Total cash flows	(3,949)	-	1,420	-	(2,529)	(5,178)	-	(719)	-	(5,897)
Closing reinsurance contract assets	-	-	3,400	55	3,455	-	-	5,300	79	5,379

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4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-(CONTINUED)

4.2 Movement in reinsurance contract assets and liabilities-(Continued)

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

4.2.C General Accident

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total
Reinsurance contracts held										
Opening reinsurance contract assets	1,331	-	4,212	13	5,556	1,992	-	1,565	2	3,559
Allocation of reinsurance premiums	(3,175)	-	-	-	(3,175)	(8,446)	-	-	-	(8,446)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	12	-	12	-	-	203	9	212
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	577	-	577	-	-	(3,419)	2	(3,417)
	-	-	589	-	589	-	-	(3,216)	11	(3,205)
Reinsurance results	(3,175)	-	589	-	(2,586)	(8,446)	-	(3,216)	11	(11,651)
Net finance income / (expenses) from reinsurance contracts	-	-	-	1	1	-	-	(1)	-	(1)
Cash flows										
Premiums paid	(5,785)	-	-	-	(5,785)	(8,564)	-	-	-	(8,564)
Claims received	-	-	2,927	-	2,927	-	-	(5,864)	-	(5,864)
Fixed commission income	569	-	-	-	569	779	-	-	-	779
Total cash flows	(5,216)	-	2,927	-	(2,289)	(7,785)	-	(5,864)	-	(13,649)
Closing reinsurance contract assets	3,372	-	1,874	14	5,260	1,331	-	4,212	13	5,556

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

4 INSURANCE AND REINSURANCE CONTRACTS BALANCES-(CONTINUED)

4.2 Movement in reinsurance contract assets and liabilities-(Continued)

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

4.2.D Others

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims		Total	Asset for remaining coverage		Assets for incurred claims		Total
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Reinsurance contracts held										
Opening reinsurance contract assets	4,516	-	19,653	29	24,198	4,376	-	8,780	26	13,182
Allocation of reinsurance premiums	(17,476)	-	-	-	(17,476)	(21,938)	-	-	-	(21,938)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	193	7	200	-	-	1,069	33	1,102
Losses on onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	12,558	(6)	12,552	-	-	(15,073)	(28)	(15,101)
	-	-	12,751	1	12,752	-	-	(14,004)	5	(13,999)
Reinsurance results	(17,476)	-	12,751	1	(4,724)	(21,938)	-	(14,004)	5	(35,937)
Net finance (expenses) / income from reinsurance contracts	-	-	23	1	24	-	-	4	(2)	2
Cash flows										
Premiums paid	(20,012)	-	-	-	(20,012)	(25,714)	-	-	-	(25,714)
Claims received	-	-	20,368	-	20,368	-	-	(24,873)	-	(24,873)
Fixed commission income	3,808	-	-	-	3,808	3,636	-	-	-	3,636
Total cash flows	(16,204)	-	20,368	-	4,164	(22,078)	-	(24,873)	-	(46,951)
Closing reinsurance contract assets	3,244	-	12,059	31	15,334	4,516	-	19,653	29	24,198

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025
5 GROSS PREMIUM WRITTEN AND REINSURANCE PREMIUMS CEDED

Premium written during the period is as follows

	For the nine month periods ended 30 September 2025-(Unaudited)				For the nine month periods ended 30 September 2024-(Unaudited)			
	Medical	Motor	General Accident and Others	Total	Medical	Motor	General Accident and Others	Total
	SAR'000				SAR'000			
Gross premiums written								
Individual	3,779	641,230	80,233	725,242	3,596	363,646	142,162	509,404
Micro enterprise	68,213	15,123	1,273	84,609	44,411	10,673	973	56,057
Small	11,002	4,888	4,503	20,393	32,434	21,147	3,489	57,070
Medium	1,888	803	5,432	8,123	9,681	621	8,669	18,971
Large	83,930	4,606	18,000	106,536	53,821	1,731	10,075	65,627
TOTAL GROSS PREMIUMS WRITTEN	168,812	666,650	109,441	944,903	143,943	397,818	165,368	707,129
	For the three month periods ended 30 September 2025-(Unaudited)				For the three month period ended 30 September 2024-(Unaudited)			
	Medical	Motor	General Accident and Others	Total	Medical	Motor	General Accident and Others	Total
	SAR'000				SAR'000			
Gross premiums written								
Individual	994	345,944	21,681	368,619	1,000	141,567	40,428	182,995
Micro enterprise	39,067	4,471	241	43,779	6,337	4,268	194	10,799
Small	5,042	2,409	985	8,436	20,818	1,263	1,330	23,411
Medium	663	247	1,476	2,386	1,209	12	1,127	2,348
Large	48,955	520	6,974	56,449	35,282	573	2,627	38,482
TOTAL GROSS PREMIUMS WRITTEN	94,721	353,591	31,357	479,669	64,646	147,683	45,706	258,035

Premium ceded during the period with local and foreign entities as follows:

	For the nine month periods ended 30 September 2025-(Unaudited)				For the nine month periods ended 30 September 2024-(Unaudited)			
	Medical	Motor	General Accident and Others	Total	Medical	Motor	General Accident and Others	Total
	SAR'000				SAR'000			
Reinsurance Premium ceded								
Foreign	56,223	2,763	19,839	78,825	48,662	3,093	18,653	70,408
Local	6,142	1,185	5,464	12,791	-	790	1,341	2,131
	62,365	3,948	25,303	91,616	48,662	3,883	19,994	72,539
	For the three month periods ended 30 September 2025-(Unaudited)				For the three month period ended 30 September 2024-(Unaudited)			
	Medical	Motor	General Accident and Others	Total	Medical	Motor	General Accident and Others	Total
	SAR'000				SAR'000			
Reinsurance Premium ceded								
Foreign	31,301	921	6,433	38,655	21,899	1,695	3,220	26,814
Local	3,471	395	1,805	5,671	-	324	494	818
	34,772	1,316	8,238	44,326	21,899	2,019	3,714	27,632

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025
6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following:

		SAR'000	
	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
<i>Insurance operations</i>			
Bank balances and cash		218,787	46,061
Deposits maturing within 3 months from the acquisition date	6.1	-	475,859
		218,787	521,920
<i>Shareholders' operations</i>			
Bank balances and cash		167,953	140
Deposits maturing within 3 months from the acquisition date	6.1	-	132,958
		167,953	133,098
Less: expected credit loss allowance		(21)	(350)
Total		386,719	654,668

6.1 Term deposits are held with the financial institutions. These term deposits are denominated in Saudi Arabian Riyals and have an original maturity of less than three months. The carrying amounts of these term deposits reasonably approximate their fair values at the reporting date. These deposits earn commission at an average of 5.9% per annum as at 30 September 2025 (31 December 2024: 6.04%).

7 INVESTMENTS

		SAR'000	
		30 September 2025 (Unaudited)	31 December 2024 (Audited)
Investments measured at fair value through other comprehensive income	7.1	63,663	61,154
Investments measured at fair value through profit or loss	7.2	452,780	29,137
		516,443	90,291

7.1 Investments measured at fair value through other comprehensive income comprises of the following:

Unlisted Equity Securities	63,663	61,154
	63,663	61,154
Opening balance as at 01 January		
-Unlisted Equity Securities	61,154	43,463
<i>Add/(less): fair value measurement change during the period</i>		
-Unlisted Equity Securities	2,509	17,691
Closing Balance		
-Unlisted Equity Securities	63,663	61,154
	63,663	61,154

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

7 INVESTMENTS-(CONTINUED)

		SAR'000	
		30 September 2025	31 December 2024
		(Unaudited)	(Audited)
7.2	Investments measured at fair value through profit or loss		
	Opening balance as at 01 January		
	-Equity Securities	9,035	-
	-Unlisted Equity Securities	20,102	-
		29,137	-
	Add: Additions during the period/year		
	-Mutual Funds	599,511	10,164
	-Sukuks	15,000	-
	-Unlisted Equity Securities	-	20,000
		614,511	30,164
	Less: Disposals during the period/year		
	-Equity Securities	(9,035)	(535)
	-Mutual Fund	(188,618)	
	-Unlisted Equity Securities	-	-
	Add/(less): fair value measurement change during the period / year including disposal gain/(loss)		
	-Mutual Fund	4,611	(594)
	-Unlisted Equity Securities	2,174	102
		6,785	(492)
	Closing Balance		
	-Mutual Funds	415,504	9,035
	-Sukuks	15,000	-
	-Unlisted Equity Securities	22,276	20,102
		452,780	29,137

8 STATUTORY DEPOSIT

		SAR'000	
		30 September 2025	31 December 2024
		(Unaudited)	(Audited)
	Statutory deposit	43,650	43,650
		43,650	43,650

As required by Article 58 of the Insurance Implementing Regulations of Insurance Authority (IA) , the Company had deposited 15% of its paid up capital of SAR 291 million as at 30 September 2025 (31 December 2024; SAR 291 million), in a bank designated by the IA. The Company cannot withdraw this deposit without IA's approval and commission accruing on this deposit is payable to IA.

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)**(A SAUDI JOINT STOCK COMPANY)****NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)****FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025****9 ZAKAT**

The current period / year zakat provision is based on the following:

	SAR'000	
	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	8,479	11,622
Provided during the period / year	2,564	7,100
Payments during the period / year	(4,569)	(10,243)
Balance at the end of the period / year	6,474	8,479

Zakat base has been computed based on the Company's understanding of 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 Custom Authority (the "ZATCA") could be different from the declarations filed by the Company.

Status of assessments

Zakat and income tax returns have been filed with the ZATCA for the years ended up to 31 December 2024. Related certificate has been received from the ZATCA for the year ended 31 December 2024. ZATCA has completed their assessment up till 2020 and currently there are no on-going assessments/appeals. The Company has received a draft Zakat assessment for the year 2021 and 2022. The Company has submitted their response against each item, and received final assessments amounting to SAR 0.4 million and SAR 1.8 million. The Company is in a process of preparing an objection. Furthermore, the Company has received queries for the year 2023 against which the Company has provided the requested information. As at 30 September 2025, the Company has sufficient provisions to cover the possible outflow in this regard.

10 SHARE CAPITAL

As at 30 September, 2025, the authorized, subscribed and paid up share capital of the Company was SAR 291 million (31 December 2024: SAR 291 million), divided into 29.1 million shares of SAR 10 each.

11 SEGMENTAL INFORMATION

Operating segments are identified on the basis of internal reports about components of the Company that are regularly reviewed by the Company's Board of Directors in their function as chief operating decision maker 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 Board is measured in a manner consistent with that in the income statement. Segment assets and liabilities comprise operating assets and liabilities.

Segment results do not include other commission income for financial measured at amortised costs, Other investment income, net impairment loss on financial assets, other income, other operating expenses and zakat charged for the year. Segment assets do not include cash and cash equivalents, term deposits, Investments measured at fair value through other comprehensive income, debt instruments at amortised costs, due from a related party, property and equipment, net, intangible assets and right of use asset, statutory deposit and accrued income on statutory deposit, prepayments and other assets. Segment liabilities do not include employees terminal benefits, lease liabilities, zakat and income tax, and accrued income on statutory deposit payable to IA.

These unallocated assets and liabilities are not reported to chief operating decision maker under related segments and are monitored on a centralized basis. The segment information provided to the Company's Board of Directors for the reportable segments for the Company's total assets and liabilities as at 30 September 2025 and for the nine months period ended 30 September 2025, its total revenues, expenses, and net income, are as follows:

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)

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

11 SEGMENTAL INFORMATION-(CONTINUED)

	30 September 2025 (Unaudited)						
	Medical	Motor	General Accident	Others	Insurance Operations	Shareholders' Operations	Total
	SAR'000						
Assets							
Reinsurance contract assets	53,374	3,455	5,260	15,334	77,423	-	77,423
Cash and cash equivalents	-	-	-	-	218,766	167,953	386,719
Term deposits	-	-	-	-	-	-	-
Investments	-	-	-	-	502,331	14,112	516,443
Unallocated assets	-	-	-	-	42,984	44,316	87,300
Total assets	53,374	3,455	5,260	15,334	841,504	226,381	1,067,885
Liabilities and equity							
Insurance contract liabilities	104,946	513,102	153,574	16,682	788,304	-	788,304
Unallocated liabilities and equity	-	-	-	-	53,200	226,381	279,581
Total liabilities and insurance operations` surplus	104,946	513,102	153,574	16,682	841,504	226,381	1,067,885

	31 December 2024 (Audited)						
	Medical	Motor	General Accident	Others	Insurance Operations	Shareholders' Operations	Total
	SAR'000						
Assets							
Reinsurance contract assets	33,287	5,379	5,556	24,198	68,420	-	68,420
Cash and cash equivalents	-	-	-	-	521,624	133,044	654,668
Term deposits	-	-	-	-	-	-	-
Investments	-	-	-	-	-	90,291	90,291
Unallocated assets	-	-	-	-	36,056	45,094	81,150
Total assets	33,287	5,379	5,556	24,198	626,100	268,429	894,529
Liabilities and equity							
Insurance contract liabilities	86,696	325,676	162,436	11,660	586,468	-	586,468
Unallocated liabilities and equity	-	-	-	-	39,632	268,429	308,061
Total liabilities and insurance operations` surplus	86,696	325,676	162,436	11,660	626,100	268,429	894,529

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025**
11 SEGMENTAL INFORMATION-(CONTINUED)

	For the nine-months period ended 30 September 2025 (Unaudited)					
	Medical	Motor	General Accident	Others	Total Insurance Operations	Shareholders' Operations
	SAR'000					
Insurance revenue	112,132	417,559	105,602	18,933	654,226	-
Insurance service expenses	(101,650)	(453,781)	(129,619)	(4,753)	(689,803)	-
Insurance service result before reinsurance contracts held	10,482	(36,222)	(24,017)	14,180	(35,577)	-
Amounts recoverable from reinsurance	48,605	(512)	589	12,752	61,434	-
Allocation of reinsurance premiums	(38,858)	(3,949)	(3,175)	(17,476)	(63,458)	-
Net expenses from reinsurance contracts held	9,747	(4,461)	(2,586)	(4,724)	(2,024)	-
Share of Surplus from insurance pools	-	-	-	3,413	3,413	-
<u>INSURANCE REVENUE RESULT</u>	20,229	(40,683)	(26,603)	12,869	(34,188)	-
Commission income from financial assets measured at amortised costs.					5,182	4,080
Other investment income					-	4,247
Fair value gain on investments					-	6,785
Net ECL charge on financial assets					283	47
Net investment income					5,465	15,159
Net finance expense from insurance contracts issued	20	(2,196)	61	(25)	(2,140)	-
Net finance expense from reinsurance contracts issued	26	(8)	1	(12)	7	-
	46	(2,204)	62	(37)	(2,133)	-
Net insurance and investment result	20,275	(42,887)	(26,541)	12,832	(30,856)	15,159
Other income					-	-
Other operating expenses					(21,167)	(3,065)
Net (loss) / profit for the period, before zakat & income tax, attributable to the shareholders					(52,023)	12,094
Zakat charge for the period					-	(2,564)
Net profit attributable to shareholders					(52,023)	9,530

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025**
11 SEGMENTAL INFORMATION-(CONTINUED)

	For the nine-month periods ended 30 September 2024-(Unaudited)					
	Medical	Motor	General Accident	Others	Total Insurance Operations	Shareholders' Operations
	SAR'000					
Insurance revenue	136,483	495,958	47,933	18,605	698,979	-
Insurance service expenses	(186,998)	(447,624)	(31,512)	(4,663)	(670,797)	-
Insurance service result before reinsurance contracts held	(50,515)	48,334	16,421	13,942	28,182	-
Amounts recoverable from reinsurance	65,588	(1,393)	(394)	(4,410)	59,391	-
Allocation of reinsurance premiums	(44,785)	(3,883)	(6,118)	(14,425)	(69,211)	-
Net expenses from reinsurance contracts held	20,803	(5,276)	(6,512)	(18,835)	(9,820)	-
Share of Surplus from insurance pools	-	-	-	-	3,906	3
INSURANCE REVENUE RESULT	(29,712)	43,058	9,909	(4,893)	22,268	3
Commission income from financial assets measured at amortised costs					28,345	4,090
Other investment income					-	921
Net ECL charge on financial assets					(180)	(39)
Net investment income					28,165	4,972
Net finance (expense) / income from insurance contracts issued	(55)	144	44	71	204	-
Net finance (expense) / income from reinsurance contracts issued	(3)	22	2	220	241	
	(58)	166	46	291	445	-
Net insurance and investment result	(29,770)	43,224	9,955	(4,602)	50,878	4,975
Other operating expenses					(18,049)	(3,387)
Net profit for the period, before zakat & income tax, attributable to the shareholders					32,829	1,588
Zakat charge for the period					-	(3,600)
Net loss attributable to shareholders.					32,829	(2,012)

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025
11 SEGMENTAL INFORMATION-(CONTINUED)

	For the three-months period ended 30 September 2025 (Unaudited)					
	Medical	Motor	General Accident	Others	Total Insurance Operations	Shareholders' Operations
	SAR'000					
Insurance revenue	38,092	162,661	35,692	7,554	243,999	-
Insurance service expenses	(34,499)	(209,712)	(70,191)	3,371	(311,031)	-
Insurance service result before reinsurance contracts held	3,593	(47,051)	(34,499)	10,925	(67,032)	-
Amounts recoverable from reinsurance	19,567	-	(1)	6,411	25,977	-
Allocation of reinsurance premiums	(13,624)	(1,316)	-	(7,606)	(22,546)	-
Net expenses from reinsurance contracts held	5,943	(1,316)	(1)	(1,195)	3,431	-
Share of Surplus from insurance pools	-	-	-	852	852	-
<u>INSURANCE REVENUE RESULT</u>	9,536	(48,367)	(34,500)	10,582	(62,749)	-
Comission income from financial assets measured at amortised costs					1,776	2,627
Other investment income					-	(399)
Fair value gain on investments					-	10,951
Net ECL charge on financial assets					21	-
Net investment income					1,797	13,179
Net finance income / (expense) from insurance contracts issued	83	(614)	74	(18)	(475)	-
Net finance (expense) / income from reinsurance contracts issued	(131)	-	1	6	(124)	-
	(48)	(614)	75	(12)	(599)	-
Net insurance and investment result	9,488	(48,981)	(34,425)	10,570	(61,551)	13,179
Other income					-	-
Other operating expenses					(7,361)	(1,059)
Net loss for the period, before zakat & income tax, attributable to the shareholders					(68,912)	12,120
Zakat charged for the period					-	(816)
Net profit attributable to shareholders					(68,912)	11,304

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025
12 SEGMENTAL INFORMATION-(CONTINUED)

	For the three-months period ended 30 September 2024 (Unaudited)					
	Medical	Motor	General Accident	Others	Total Insurance Operations	Shareholders' Operations
	SAR'000					
Insurance revenue	50,537	167,861	29,109	4,335	251,842	-
Insurance service expenses	(65,288)	(175,909)	(13,654)	(661)	(255,512)	-
Insurance service result before reinsurance contracts held	(14,751)	(8,048)	15,455	3,674	(3,670)	-
Amounts recoverable from reinsurance	24,211	(246)	(35)	(4,782)	19,148	-
Allocation of reinsurance premiums	(16,216)	(2,018)	(1,884)	(2,886)	(23,004)	-
Net expenses from reinsurance contracts held	7,995	(2,264)	(1,919)	(7,668)	(3,856)	-
Share of Surplus from insurance pools					2,789	2
INSURANCE REVENUE RESULT	(6,756)	(10,312)	13,536	(3,994)	(4,737)	2
Commission income from financial assets measured at amortised costs					9,907	1,358
Other investment income					-	516
Net ECL (charge) / reversal on financial assets					-	-
Net investment income					9,907	1,874
Net finance income / (expense) from insurance contracts issued	44	(1,173)	(209)	57	(1,281)	-
Net finance (expense) / income from reinsurance contracts issued	(17)	9	2	227	221	
	27	(1,164)	(207)	284	(1,060)	-
Net insurance and investment result	(6,729)	(11,476)	13,329	(3,710)	4,110	1,876
Other operating expenses					(5,002)	(1,056)
Net (loss) / profit for the period, before zakat & income tax, attributable to the shareholders					(892)	819
Zakat reversed for the period					-	3,000
Net profit attributable to shareholders.					(892)	3,819

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025
12 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 advantages 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 the financial statement.

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.

a) Carrying amount and fair value

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is not considered to reasonably approximate fair value.

Shareholders' operations			(Unaudited)		
SAR'000s	Carrying Value	Level 1	Level 2	Level 3	Total
30 September 2025					
Investments measured at fair value through other comprehensive income					
<i>Unlisted securities</i>	63,663	-	-	63,663	63,663
Investments measured at fair value through profit or loss					
<i>-Mutual Funds</i>	415,106	209,684	205,422	-	415,106
<i>-Sukuks</i>	15,000	15,000	-	-	15,000
<i>-Unlisted Equity Securities</i>	22,276	-	-	22,276	22,276
	516,045	224,684	205,422	85,939	516,045

			(Audited)		
SAR'000'	Carrying Value	Level 1	Level 2	Level 3	Total
31 December 2024					
Investments measured at fair value through other comprehensive income					
<i>Unlisted securities</i>	61,154	-	-	61,154	61,154
Investments measured at fair value through profit or loss					
<i>Listed securities</i>	9,035	9,035	-	-	9,035
<i>Unlisted securities</i>	20,102	-	-	20,102	20,102
	90,291	9,035	-	81,256	90,291

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025
13 RELATED PARTIES 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 following are the details of the major related party transactions during the period and the related balances:

Related parties	Nature of transaction	Transactions for the period ended		Balance receivable / (payable) as at	
		30 September 2025 (Unaudited)	30 September 2024 (Unaudited)	30 September 2025 (Unaudited)	31 December 2024 (Audited)
		SAR'000			
Board of directors	Premium written	4	4	-	-
Affiliates	Premium written		-	-	-
	Claims paid/ payment received	-	-	-	-
ACIG Bahrain (Shareholder)	Claims paid on behalf of ACIG Bahrain	-	-	-	-
Board and audit committee	Attendance fees	269	254	-	-

Remuneration and compensation of BOD Members and Top Executives

	SAR'000	
	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Salaries and other allowances	4,650	2,988
End of service indemnities	247	124
	4,897	3,112

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

14 OTHER OPERATING COSTS

SAR'000	
For the nine-months period ended	
30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Policy acquisition costs	83,824
Employees' costs	78,778
Rents, IT, utilities and maintenance costs	41,884
Professional and Legal expenses	7,842
Depreciation and amortisation	3,358
Marketing expenses and other	2,679
	5,557
	15,590
	14,749
	160,834
	150,706

Allocation of expenses is as follows;

	For the nine-months period ended 30 September 2025 (Unaudited)			For the nine-months period ended 30 September 2024 (Unaudited)		
	Insurance operations	Shareholders operations	Total	Insurance operations	Shareholders' operations	Total
Policy acquisition costs*	97,008	-	97,008	91,974	-	91,974
Other attributable expenses*	39,594	-	39,594	37,296	-	37,296
Other operating expenses**	21,167	3,065	24,232	18,049	3,387	21,436
	157,769	3,065	160,834	147,319	3,387	150,706

*Reported part of insurance service expense

** Other operating expenses include non-attributable expenses which are administrative expenses and are not linked to insurance contracts.

15 INSURANCE SERVICE EXPENSES

	For the nine-month period ended 30 September 2025 (Unaudited)				
	Medical	Motor	General Accident	Others	Total
Incurred claims and other directly attributable expenses	102,437	373,878	103,950	2,785	583,050
Losses / (reversals) of losses on onerous contracts	(6,143)	22,634	(3,247)	-	13,244
Changes that relate to past service - adjustments to the LIC	(13,482)	(10,265)	10,843	(133)	(13,037)
Surplus distribution to policyholders	-	6,096	-	-	6,096
Insurance acquisition cash flows amortization	18,838	61,438	18,073	2,101	100,450
	101,650	453,781	129,619	4,753	689,803

	For the nine-month period ended 30 September 2024 (Unaudited)				
	Medical	Motor	General Accident	Others	Total
Incurred claims and other directly attributable expenses	147,824	370,067	38,040	4,002	559,933
Losses / (reversals) of losses on onerous contracts	16,719	16,313	104	(1)	33,135
Changes that relate to past service - adjustments to the LIC	(5,799)	(32,976)	(2,343)	(743)	(41,861)
Surplus distribution to policyholders	3,298	-	-	-	3,298
Insurance acquisition cash flows amortization	24,956	94,220	(4,289)	1,405	116,292
	186,998	447,624	31,512	4,663	670,797

16 (LOSS) / EARNINGS PER SHARE

(Loss) / earnings per share for the period has been calculated by dividing the net (loss) / income for the period by the weighted average number of issued and outstanding shares at year end.

The basic and diluted (loss) / earnings per share is calculated as follows:

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Net (loss) / profit for the period (SAR in '000)	(42,493)	30,817
Weighted average number of ordinary shares outstanding in ('000)	29,100	29,100
Basic and diluted (loss) / earnings per share. (in SAR)	(1.46)	1.06

17 COMMITMENTS AND CONTINGENCIES

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigations) will have a material effect on its results and financial position. The Company did not have any significant outstanding legal proceedings as at the reporting date. There are no material commitments outstanding as at 30 September 2025.

18 COMPARATIVE FIGURES

Certain of the prior year amounts have been reclassified to conform with the presentation in the current period.

19 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements have been approved by the Board of Directors on 03 November 2025 (corresponding to Jumada I 12, 1447 AH).

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(UNAUDITED)-(CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

20 SUPPLEMENTARY INFORMATION

STATEMENT OF INCOME

	SAR '000					
	For the three-months period ended					
	30 September 2025 (Unaudited)			30 September 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Insurance revenue	243,999	-	243,999	251,842	-	251,842
Insurance service expenses	(311,031)	-	(311,031)	(255,512)	-	(255,512)
Insurance service result before reinsurance contracts held	(67,032)	-	(67,032)	(3,670)	-	(3,670)
Amounts recoverable from reinsurance	25,977	-	25,977	19,148	-	19,148
Allocation of reinsurance premiums	(22,546)	-	(22,546)	(23,004)	-	(23,004)
Net expenses from reinsurance contracts held	3,431	-	3,431	(3,856)	-	(3,856)
Share of Surplus from insurance pool	852	-	852	2,789	2	2,791
Insurance service result	(62,749)	-	(62,749)	(4,737)	2	(4,735)
Commission income from financial assets measured at amortised costs	1,776	2,627	4,403	9,907	1,358	11,265
Other investment income	-	(399)	(399)	-	516	516
Fair value gain on investments	-	10,951	10,951	-	-	-
Net ECL (charge) /reversal on financial assets	21	-	21	-	-	-
Net investment income	1,797	13,179	14,976	9,907	1,874	11,781
Net finance expenses from insurance contracts issued	(475)	-	(475)	(1,281)	-	(1,281)
Net finance (expenses) / income from reinsurance contracts issued	(124)	-	(124)	221	-	221
Net insurance finance (expenses) / income	(599)	-	(599)	(1,060)	-	(1,060)
Net insurance and investment result	(61,551)	13,179	(48,372)	4,110	1,876	5,986
Other operating expenses	(7,361)	(1,059)	(8,420)	(5,002)	(1,056)	(6,058)
Net (loss) /profit for the period, before zakat & income tax, attributable to the shareholders	(68,912)	12,120	(56,792)	(892)	820	(72)
Zakat (charged) / reversed during the period	-	(816)	(816)	-	3,000	3,000
Net (loss)/ profit for the period, after zakat & income tax, attributable to shareholders	(68,912)	11,304	(57,608)	(892)	3,820	2,928
Other comprehensive income:						
<i>Items that will not be reclassified to statement of income in subsequent periods</i>						
- Net change in fair value of FVOCI Investments	-	-	-	-	-	-
- Actuarial losses on employees' terminal benefits	-	-	-	-	-	-
Total other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(68,912)	11,304	(57,608)	(892)	3,820	2,928

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)-(CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

20 SUPPLEMENTARY INFORMATION (CONTINUED)

INTERIM STATEMENT OF INCOME

	SAR '000					
	For the nine-month period ended					
	30 September 2025 (Unaudited)			30 September 2024 (Unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Insurance revenue	654,226	-	654,226	698,979	-	698,979
Insurance service expenses	(689,803)	-	(689,803)	(670,797)	-	(670,797)
Insurance service result before reinsurance contracts held	(35,577)	-	(35,577)	28,182	-	28,182
Amounts recoverable from reinsurance	61,434	-	61,434	59,391	-	59,391
Allocation of reinsurance premiums	(63,458)	-	(63,458)	(69,211)	-	(69,211)
Net expenses from reinsurance contracts held	(2,024)	-	(2,024)	(9,820)	-	(9,820)
Share of Surplus from insurance pools	3,413	-	3,413	3,906	3	3,909
Insurance service result	(34,188)	-	(34,188)	22,268	3	22,271
Commission income from financial assets measured at amortised costs	5,182	4,080	9,262	28,345	4,090	32,435
Other investment income including gain on disposal	-	4,247	4,247	-	921	921
Fair value gain on investments	-	6,785	6,785	-	-	-
Net ECL (charge) /reversal on financial assets	283	47	330	(180)	(39)	(219)
Net investment income	5,465	15,159	20,624	28,165	4,972	33,137
Net finance expenses from insurance contracts issued	(2,140)	-	(2,140)	204	-	204
Net finance income from reinsurance contracts held	7	-	7	241	-	241
Net insurance finance income	(2,133)	-	(2,133)	445	-	445
Net insurance and investment result	(30,856)	15,159	(15,697)	50,878	4,975	55,853
Other income	-	-	-	-	-	-
Other operating expenses	(21,167)	(3,065)	(24,232)	(18,049)	(3,387)	(21,436)
Net (loss) /profit for the period, before zakat & income tax, attributable to the shareholders	(52,023)	12,094	(39,929)	32,829	1,588	34,417
Zakat charged during the period.	-	(2,564)	(2,564)	-	(3,600)	(3,600)
Net (loss) / profit for the period, after zakat & income tax, attributable to shareholders	(52,023)	9,530	(42,493)	32,829	(2,012)	30,817
Other comprehensive income:						
<i>Items that will not be reclassified to statement of income in subsequent periods</i>						
- Net change in fair value of FVOCI Investments	-	2,509	2,509	-	-	-
- Actuarial losses on employees' terminal benefits	-	-	-	-	-	-
Total other comprehensive income for the period	-	2,509	2,509	-	-	-
Total comprehensive (loss) / income for the period	(52,023)	12,039	(39,984)	32,829	(2,012)	30,817

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS-(UNAUDITED)-(CONTINUED)

AS AT 30 SEPTEMBER 2025

20 SUPPLEMENTARY INFORMATION

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

	SAR '000					
	30 September 2025 (Unaudited)			31 December 2024 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
<u>ASSETS</u>						
Cash and cash equivalents	218,766	167,953	386,719	521,624	133,044	654,668
Investments	502,331	14,112	516,443	-	90,291	90,291
Reinsurance contract assets	77,423	-	77,423	68,420	-	68,420
Prepayments and other receivables	23,547	164	23,711	18,187	191	18,378
Right-of-use asset, net	5,066	-	5,066	7,543	-	7,543
Statutory deposit	-	43,650	43,650	-	43,650	43,650
Accrued income on statutory deposit	-	502	502	-	1,253	1,253
Property and equipment, net	7,527	-	7,527	3,544	-	3,544
Intangible assets, net	6,844	-	6,844	6,782	-	6,782
TOTAL ASSETS	841,504	226,381	1,067,885	626,100	268,429	894,529
<u>LIABILITIES</u>						
Insurance contract liabilities	788,304	-	788,304	586,468	-	586,468
Employees' terminal benefits	18,262	-	18,262	17,389	-	17,389
Lease liabilities	3,408	-	3,408	6,750	-	6,750
Provision for zakat and income tax	-	6,474	6,474	-	8,479	8,479
Accruals and other payables	36,234	1,534	37,768	20,197	842	21,039
Accrued income on statutory deposit payable to Insurance Authority	-	502	502	-	1,253	1,253
TOTAL LIABILITIES	846,208	8,510	854,718	630,804	10,574	641,378
<u>EQUITY</u>						
Share capital	-	291,000	291,000	-	291,000	291,000
Accumulated losses	-	(134,872)	(134,872)	-	(92,379)	(92,379)
Fair values reserve on investments	-	61,743	61,743	-	59,234	59,234
Re-measurement reserve of employees' terminal benefits	(4,704)	-	(4,704)	(4,704)	-	(4,704)
TOTAL EQUITY	(4,704)	217,871	213,167	(4,704)	257,855	253,151
TOTAL LIABILITIES AND EQUITY	841,504	226,381	1,067,885	626,100	268,429	894,529