

**GULF INSURANCE GROUP  
(A Saudi Joint Stock Company)**

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

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

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## *Report on review of interim condensed financial information*

To the shareholders of Gulf Insurance Group  
(A Saudi Joint Stock Company)

### **Introduction**

We have reviewed the accompanying interim condensed statement of financial position of Gulf Insurance Group (the "Company") as of 30 September 2025 and the related interim condensed statements of income and comprehensive income for the three-month and nine-month periods then ended and the interim condensed statements of changes in equity and cash flows for the nine-month period ended 30 September 2025 and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

### **Scope of review**

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

### **Conclusion**

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

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

Ali H. Al Basri  
License Number 409



**RSM Allied Accountants  
Professional Services**  
P.O. Box 8335  
Riyadh 12333  
Kingdom of Saudi Arabia

Mohammed Farhan Bin Nader  
License Number 435



9 November 2025  
18 Jumada al-Ula 1447 H

**GULF INSURANCE GROUP**

(A Saudi Joint Stock Company)

**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**

(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
<b>ASSETS</b>			
Cash and cash equivalents	4	111,018	155,909
Short-term deposits		204,478	335,186
Reinsurance contract assets	6,13	234,794	198,626
Investments	5	1,867,373	1,768,133
Prepaid expenses and other assets	8	49,999	41,082
Deferred tax assets		8,642	7,546
Long-term deposits		147,157	106,574
Right-of-use assets		25,362	27,806
Furniture and equipment		5,558	5,087
Intangible assets		23,921	22,608
Accrued income on statutory deposit		2,180	1,541
Goodwill	21	50,000	50,000
Statutory deposit		52,500	52,500
<b>TOTAL ASSETS</b>		<b>2,782,982</b>	<b>2,772,598</b>
<b>LIABILITIES AND EQUITY</b>			
Accrued expenses and other liabilities		75,029	136,814
Insurance contract liabilities	6,13	1,390,643	1,407,756
Reinsurance contract liabilities	6,13	6,706	1,345
Lease liabilities		23,552	26,536
Due to related parties	14	4,315	1,069
Employee benefit obligations		30,955	28,976
Zakat and income tax	16	83,458	78,604
Accrued income payable on statutory deposit		2,180	1,541
<b>TOTAL LIABILITIES</b>		<b>1,616,838</b>	<b>1,682,641</b>
<b>EQUITY</b>			
Share capital	7	525,000	525,000
Statutory reserve	17	165,206	165,206
Retained earnings		431,652	399,401
Fair value reserve on investments	5	44,286	350
<b>TOTAL EQUITY</b>		<b>1,166,144</b>	<b>1,089,957</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,782,982</b>	<b>2,772,598</b>

The accompanying notes from 1 to 25 are an integral part of this interim condensed financial information.



Yousef Sabalkhail  
Chairman of the Board of  
Directors



Khalid Al Shuwaier  
Chief Executive Officer



Babar Ali Khan  
Chief Financial Officer

**GULF INSURANCE GROUP**

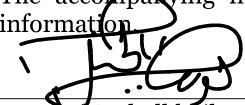
(A Saudi Joint Stock Company)

**INTERIM CONDENSED STATEMENT OF INCOME**

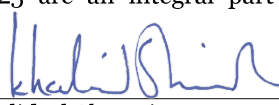
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Note	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Insurance revenue	13	<b>381,958</b>	379,270	<b>1,108,716</b>	1,101,047
Insurance service expenses	13	<b>(298,421)</b>	(303,158)	<b>(882,983)</b>	(893,629)
Net expense from reinsurance contracts held	13	<b>(63,757)</b>	(56,973)	<b>(136,420)</b>	(141,551)
<b>Insurance service result from Company's directly written business</b>		<b>19,780</b>	19,139	<b>89,313</b>	65,867
Share of surplus from insurance pools	10	<b>8,078</b>	-	<b>10,003</b>	3,302
<b>Total insurance service result</b>		<b>27,858</b>	19,139	<b>99,316</b>	69,169
Finance expense from insurance contracts issued	9	<b>(609)</b>	(2,572)	<b>(36,641)</b>	(47,240)
Finance income from reinsurance contracts held	9	<b>428</b>	993	<b>10,756</b>	15,623
<b>Net insurance financial result</b>		<b>(181)</b>	(1,579)	<b>(25,885)</b>	(31,617)
Investment income	15	<b>28,635</b>	24,291	<b>75,283</b>	70,389
Other operating expenses		<b>(8,992)</b>	(12,407)	<b>(30,647)</b>	(35,197)
Other income		-	75	<b>878</b>	81
<b>Investment and other income - net</b>		<b>19,643</b>	11,959	<b>45,514</b>	35,273
<b>Total income for the period before zakat and income tax</b>		<b>47,320</b>	29,519	<b>118,945</b>	72,825
Zakat expense	16	<b>(3,553)</b>	(5,401)	<b>(10,260)</b>	(12,998)
Income tax expense	16	<b>(9,334)</b>	(2,307)	<b>(13,020)</b>	(5,776)
		<b>(12,887)</b>	(7,708)	<b>(23,280)</b>	(18,774)
<b>Total income for the period attributable to the shareholders</b>		<b>34,433</b>	21,811	<b>95,665</b>	54,051
<b>Earnings per share (expressed in Saudi Riyals per share)</b>					
Basic and diluted earnings per share	19	<b>0.66</b>	0.42	<b>1.82</b>	1.03

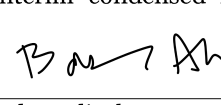
The accompanying notes from 1 to 25 are an integral part of this interim condensed financial information.



Yousef S Abalkhail  
Chairman of the Board of  
Directors



Khalid Al Shuwaier  
Chief Executive Officer



Babar Ali Khan  
Chief Financial Officer

**GULF INSURANCE GROUP**

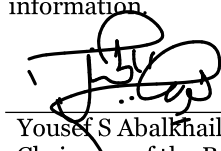
(A Saudi Joint Stock Company)

**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Note	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2025	2024	2025	2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Total income for the period attributable to the shareholders</b>		<b>34,433</b>	21,811	<b>95,665</b>	54,051
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to interim condensed statement of income in subsequent periods</i>					
Remeasurement loss on employee benefit obligations		(706)	(1,112)	(414)	(1,500)
Net changes in fair value of investments measured at FVOCI (equity instruments)		-	-	2,510	-
<i>Items that will be reclassified to interim condensed statement of income in subsequent periods</i>					
Net changes in fair value of investments measured at FVOCI (debt instruments)	5	5,622	43,899	41,426	25,717
<b>Total other comprehensive income</b>		<b>4,916</b>	42,787	<b>43,522</b>	24,217
<b>Total comprehensive income for the period attributable to the shareholders</b>		<b>39,349</b>	64,598	<b>139,187</b>	78,268

The accompanying notes from 1 to 25 are an integral part of this interim condensed financial information.



Yousef S Abalkhail  
Chairman of the Board of Directors



Khalid Al Shuwaier  
Chief Executive Officer



Babar Ali Khan  
Chief Financial Officer

**GULF INSURANCE GROUP**  
(A Saudi Joint Stock Company)  
**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025**  
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Note	Share capital	Statutory reserve	Retained Earnings	Fair value reserve on investments	Total
<b>At 1 January 2025 (Audited)</b>		525,000	165,206	399,401	350	1,089,957
<b>Total comprehensive income for the period</b>						
Total income for the period attributable to the shareholders		-	-	95,665	-	95,665
Remeasurement loss on employee benefit obligations		-	-	(414)	-	(414)
Net changes in fair value of the investments measured at FVOCI	5	-	-	-	43,936	43,936
<b>Total comprehensive income for the period attributable to the shareholders</b>		-	-	95,251	43,936	139,187
Dividends	23	-	-	(63,000)	-	(63,000)
<b>At 30 September 2025 (Unaudited)</b>		525,000	165,206	431,652	44,286	1,166,144
<b>At 1 January 2024 (Audited)</b>		525,000	145,567	400,592	(6,319)	1,064,840
<b>Total comprehensive income for the period</b>						
Total income for the period attributable to the shareholders		-	-	54,051	-	54,051
Remeasurement loss on employee benefit obligations		-	-	(1,500)	-	(1,500)
Net changes in fair value of the investments measured at FVOCI	5	-	-	-	25,717	25,717
<b>Total comprehensive income for the period attributable to the shareholders</b>		-	-	52,551	25,717	78,268
Dividends	23	-	-	(78,750)	-	(78,750)
<b>At 30 September 2024 (Unaudited)</b>		525,000	145,567	374,393	19,398	1,064,358

The accompanying notes from 1 to 25 are an integral part of this interim condensed financial information.



Yousef Al Balkhail  
Chairman of the Board of Directors



Khalid Al Shuwaier  
Chief Executive Officer



Babar Ali Khan  
Chief Financial Officer

**GULF INSURANCE GROUP**

(A Saudi Joint Stock Company)

**INTERIM CONDENSED STATEMENT OF CASH FLOWS**

(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Note	For the nine-month period ended 30 September	
		2025 (Unaudited)	2024 (Unaudited)
<b>Cash flows from operating activities</b>			
Total income for the period before zakat and income tax		118,945	72,825
<b><u>Adjustments for non-cash items:</u></b>			
Depreciation of furniture and equipment		2,713	4,386
Depreciation of right-of-use assets		2,444	2,648
Amortisation of intangible assets		6,039	6,178
Finance cost on leases		1,016	1,256
Accretion of discount on financial assets at FVOCI	5,15	(6,449)	(5,821)
Unrealised (gain) loss on financial assets at FVTPL	5,15	(4,408)	3,264
(Gain) loss on disposal of financial assets at FVOCI	5,15	(21)	328
Amortisation of premium on financial assets at FVOCI	5,15	1,578	1,661
Loss on disposal on financial assets at FVTPL	5,15	3,445	-
Net impairment credit (reversal of losses) losses on financial assets at FVOCI	5,15	(227)	700
Net finance expense from insurance and reinsurance contracts	9	25,885	31,617
Employee benefit obligations		3,846	3,497
<b><u>Changes in operating assets and liabilities:</u></b>			
Reinsurance contract assets	6,13	(25,412)	194,511
Prepaid expenses and other assets	8	(8,917)	18,034
Accrued income on statutory deposit		(639)	2,286
Accrued expenses and other liabilities		(61,785)	(33,342)
Insurance contract liabilities, net	6,13	(48,393)	(246,650)
Due to related parties		3,246	6
Accrued income payable on statutory deposit		639	(2,286)
<b>Cash generated from operations</b>		<b>13,545</b>	<b>55,098</b>
Employee benefit obligations paid		(2,281)	(3,060)
Zakat and income tax paid		(19,522)	(31,585)
Interest paid		(1,016)	(1,256)
<b>Net cash (outflow) inflow from operating activities</b>		<b>(9,274)</b>	<b>19,197</b>

(Continued)



**GULF INSURANCE GROUP**

(A Saudi Joint Stock Company)

**INTERIM CONDENSED STATEMENT OF CASH FLOWS (continued)**

(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Note	For the nine-month period ended 30 September	
		2025 (Unaudited)	2024 (Unaudited)
<b>Cash flows from investing activities</b>			
Redemption in short-term deposits, net		<b>130,708</b>	134,425
Payments for purchase of investments	5	<b>(269,061)</b>	(241,093)
Proceeds from sale of investments	5	<b>219,839</b>	112,499
(Placement) redemption of long-term deposits, net		<b>(40,583)</b>	12,846
Payments for purchases of furniture and equipment		<b>(3,184)</b>	(407)
Additions to intangible assets		<b>(7,352)</b>	(2,232)
<b>Net cash inflow from investing activities</b>		<b>30,367</b>	16,038
<b>Cash flows from financing activities</b>			
Payment against lease liabilities		<b>(2,984)</b>	(3,335)
Dividends paid	23	<b>(63,000)</b>	(78,750)
<b>Net cash outflow financing activities</b>		<b>(65,984)</b>	(82,085)
<b>Net decrease in cash and cash equivalents</b>		<b>(44,891)</b>	(46,850)
Cash and cash equivalents at the beginning of the period		<b>155,909</b>	228,791
<b>Cash and cash equivalents at end of the period</b>	4	<b>111,018</b>	181,941
<b>Supplemental non-cash information</b>			
Net changes in fair value of financial assets at FVOCI	5	<b>43,936</b>	25,717

The accompanying notes from 1 to 25 are an integral part of this interim condensed financial information.



Yousef S. Abalkhail  
Chairman of the Board of  
Directors



Khalid Al Shuwaier  
Chief Executive Officer



Babar Ali Khan  
Chief Financial Officer

**GULF INSURANCE GROUP**

(A Saudi Joint Stock Company)

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

(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

**1. General information - legal status and principal activities**

Gulf Insurance Group, a Saudi joint stock company (the “Company”), was formed pursuant to Royal Decree No. M/36 dated 27 Jumada II 1429H (corresponding to 1 July 2008). The Company was incorporated vide Ministerial Order number Q/192, dated 10 Jumada II 1430H, (corresponding to 3 September 2009). The Company is registered in the Kingdom of Saudi Arabia under Commercial Registration (“CR”) number 1010271203 issued in Riyadh on 20 Rajab, 1430H (corresponding to 13 July 2009). The Company’s registered address is P.O. Box 753, Riyadh 11421, Kingdom of Saudi Arabia.

The purpose of the Company is to transact cooperative insurance operations and all related activities including reinsurance activities in accordance with the Law on Supervision of Cooperative Insurance Companies (the “Law”), the Company’s by-laws and other regulations promulgated in the Kingdom of Saudi Arabia. Its principal lines of business include health, motor, marine, property, engineering, accident and liability and protection insurance. The Company obtained license from the Saudi Arabian Monetary Authority (“SAMA”) to practice general and health insurance and reinsurance business in the Kingdom of Saudi Arabia vide license number TMN/25/20101, dated 11 Safar 1431H (corresponding to 26 January 2010). The Company commenced insurance operations on 4 Rabi’ I 1431H (corresponding to 18 February 2010).

The Company operates through multiple branches located in the Kingdom of Saudi Arabia. Following are the CR numbers of these branches:

<b>Branch type</b>	<b>Location</b>	<b>CR number</b>
Head Office	Riyadh	1010271203
Regional Branch	Khobar	2051044972
Regional Branch	Jeddah	4030209279

**2. Basis of preparation***(a) Statement of compliance*

The interim condensed financial information of the Company has been prepared in accordance with the International Accounting Standard 34 - Interim Financial Reporting (“IAS 34”), as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

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

In accordance with the requirements of Implementing Regulation for Co-operative Insurance Companies (the “Regulations”) issued by the Insurance Authority, formerly SAMA, and as per by-laws of the Company, shareholders of the Company are to receive 90% of the annual surplus from insurance operations and the policyholders are to receive the remaining 10%. Any deficit arising from insurance operations is transferred to the shareholders’ operations in full. Surplus entitled to the policyholders is part of insurance service expenses.

The Regulations require the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders’ operations.

In preparing the Company’s financial information in compliance with IAS 34 as endorsed in the Kingdom of Saudi Arabia, the balances and transactions of the insurance operations are amalgamated and combined with those of the shareholders’ operations. Interoperation balances, transactions and unrealised gains or losses, if any, are eliminated in full during amalgamation. The accounting policies adopted for the insurance operations and shareholders’ operations are uniform for like transactions and events in similar circumstances.

## **GULF INSURANCE GROUP**

(A Saudi Joint Stock Company)

### **NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**

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

(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

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

##### *(b) Basis of measurement*

The interim condensed financial information is prepared under the historical cost convention, except as explained in the relevant accounting policies in the annual financial statements for the year ended 31 December 2024.

##### *(c) Basis of presentation*

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

The Company's interim condensed statement of financial position is not presented using a current/non-current classification and is presented in order of liquidity. However, the following balances would generally be classified as current: cash and cash equivalents, short term deposits, prepaid expenses and other assets, accrued income on statutory deposit, financial assets at FVTPL, accrued expenses and other liabilities, due to related parties, zakat and income tax and accrued income payable on statutory deposit. The following balances would generally be classified as non-current: long term deposits, furniture and equipment, right-of-use assets, goodwill, intangible assets, financial assets at FVOCI, statutory deposit, deferred tax assets and employee benefit obligations. The balances which are of mixed in nature i.e. include both current and non-current portions include insurance contract liabilities, reinsurance contract assets, reinsurance contract liabilities and lease liabilities.

##### *(d) Functional and presentation currency*

This interim condensed financial information is expressed in Saudi Arabian Riyals ("Saudi Riyals") which is the functional and presentation currency of the Company.

##### *(e) Seasonality of operations*

There are no seasonal changes that may affect insurance operations of the Company. The interim results may not represent a proportionate share of the annual results due to cyclical variability in premiums and uncertainty of claims occurrences.

#### **3. Material accounting policy information**

##### **3.1 New standards, amendments and interpretations**

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

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

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

**GULF INSURANCE GROUP**

(A Saudi Joint Stock Company)

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

(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

**3. Material accounting policy information** (continued)**3.2 Critical accounting judgments, estimates and assumptions**

The preparation of interim condensed financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Actual results may differ from these estimates.

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

**4. Cash and cash equivalents**

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

	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Cash at banks		
- Current accounts	<b>46,325</b>	135,910
- Time deposits	<b>64,693</b>	20,000
Net impairment credit losses	-	(1)
	<b>111,018</b>	155,909

Cash at banks is placed with counterparties with sound credit ratings. Time deposits at 30 September 2025 are placed with local banks with original maturity of less than three months from the date of placement and earned commission income at the rate between 5.7% and 5.9% per annum (31 December 2024: 5.4% per annum).

**5. Investments**

(a) *Investments are classified as follows:*

	<b>Insurance operations</b>		<b>Shareholders' operations</b>		<b>Total</b>	
	<b>30 September 2025</b>	<b>31 December 2024</b>	<b>30 September 2025</b>	<b>31 December 2024</b>	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
Financial assets at FVTPL	<b>1,922</b>	15,344	<b>115,678</b>	60,821	<b>117,600</b>	76,165
Financial assets at FVOCI	<b>665,810</b>	731,101	<b>1,083,963</b>	960,867	<b>1,749,773</b>	1,691,968
	<b>667,732</b>	746,445	<b>1,199,641</b>	1,021,688	<b>1,867,373</b>	1,768,133

**GULF INSURANCE GROUP**

(A Saudi Joint Stock Company)

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**

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

(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

**5. Investments (continued)**

(b) *Movement in investments carried at fair value through other comprehensive income is as follows:*

	<b>30 September 2025 (Unaudited)</b>			<b>31 December 2024 (Audited)</b>		
	<b>Insurance operations</b>	<b>Shareholders' operations</b>	<b>Total</b>	<b>Insurance operations</b>	<b>Shareholders' operations</b>	<b>Total</b>
Opening balance	<b>731,101</b>	<b>960,867</b>	<b>1,691,968</b>	764,824	778,537	1,543,361
Additions during the period/year	<b>32,821</b>	<b>163,835</b>	<b>196,656</b>	105,812	190,791	296,603
Withdrawal during the period/year	<b>(119,930)</b>	<b>(67,976)</b>	<b>(187,906)</b>	(137,052)	(22,013)	(159,065)
Realised fair value gains (losses) reclassified to interim condensed statement of income	<b>21</b>	<b>-</b>	<b>21</b>	(361)	(45)	(406)
Accretion of discount	<b>2,489</b>	<b>3,960</b>	<b>6,449</b>	3,055	4,835	7,890
Amortisation of premium	<b>(690)</b>	<b>(888)</b>	<b>(1,578)</b>	(1,000)	(1,232)	(2,232)
Net impairment credit losses reversed (recognised) during the period/year	<b>21</b>	<b>206</b>	<b>227</b>	(336)	(516)	(852)
Changes in fair value	<b>19,977</b>	<b>23,959</b>	<b>43,936</b>	(3,841)	10,510	6,669
Closing balance	<b>665,810</b>	<b>1,083,963</b>	<b>1,749,773</b>	731,101	960,867	1,691,968

(c) During the three-month and nine-month periods ended 30 September 2025 and 2024, the following net gains were recognised in the interim condensed statement of comprehensive income:

	<b>For the three-month period ended 30 September</b>		<b>For the nine-month period ended 30 September</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Related to equity instruments	-	-	<b>2,510</b>	-
Related to debt instruments	<b>5,622</b>	43,899	<b>41,426</b>	25,717
	<b>5,622</b>	43,899	<b>43,936</b>	25,717

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**5. Investments** (continued)(d) *Movement in investments carried at fair value through profit or loss is as follows:*

	<b>30 September 2025 (Unaudited)</b>			<b>31 December 2024 (Audited)</b>		
	<b>Insurance operations</b>	<b>Shareholders' operations</b>	<b>Total</b>	<b>Insurance operations</b>	<b>Shareholders' operations</b>	<b>Total</b>
Opening balance	15,344	60,821	76,165	15,402	57,987	73,389
Additions during the period/ year	-	72,405	72,405	-	19,236	19,236
Disposals during the period/ year	(13,388)	(21,990)	(35,378)	-	(8,999)	(8,999)
Changes in fair value	(34)	4,442	4,408	(58)	(7,403)	(7,461)
Closing balance	<b>1,922</b>	<b>115,678</b>	<b>117,600</b>	<b>15,344</b>	<b>60,821</b>	<b>76,165</b>

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### 6. Insurance and reinsurance contracts

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	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*	
<b>Insurance contracts issued</b>										
Insurance contracts liabilities - opening	274,119	39,307	920,079	174,251	1,407,756	296,010	42,607	1,038,261	259,429	1,636,307
Insurance contract assets - opening	-	-	-	-	-	-	-	-	-	-
<b>Opening balance - net</b>	<b>274,119</b>	<b>39,307</b>	<b>920,079</b>	<b>174,251</b>	<b>1,407,756</b>	<b>296,010</b>	<b>42,607</b>	<b>1,038,261</b>	<b>259,429</b>	<b>1,636,307</b>
<b>Insurance revenue</b>	<b>(1,108,716)</b>	-	-	-	<b>(1,108,716)</b>	(1,463,521)	-	-	-	(1,463,521)
<b>Insurance service expenses</b>										
Incurred claims and other incurred insurance service expenses	-	-	829,005	42,818	871,823	-	-	1,198,300	75,305	1,273,605
Changes that relate to past service - adjustment to the LIC	-	-	(75,374)	(79,991)	(155,365)	-	-	(84,384)	(173,714)	(258,098)
Losses (reversal of losses) on onerous contracts	-	6,429	-	-	6,429	-	(3,300)	-	-	(3,300)
Insurance acquisition cashflows amortisation	160,096	-	-	-	160,096	218,619	-	-	-	218,619
<b>Insurance service expenses</b>	<b>160,096</b>	<b>6,429</b>	<b>753,631</b>	<b>(37,173)</b>	<b>882,983</b>	<b>218,619</b>	<b>(3,300)</b>	<b>1,113,916</b>	<b>(98,409)</b>	<b>1,230,826</b>
Finance expenses from insurance contracts issued	-	-	27,941	8,700	36,641	-	-	32,474	13,231	45,705
<b>Total changes in the interim condensed statement of income</b>	<b>(948,620)</b>	<b>6,429</b>	<b>781,572</b>	<b>(28,473)</b>	<b>(189,092)</b>	<b>(1,244,902)</b>	<b>(3,300)</b>	<b>1,146,390</b>	<b>(85,178)</b>	<b>(186,990)</b>
<b>Cash flows</b>										
Premium received	1,123,952	-	-	-	1,123,952	1,435,077	-	-	-	1,435,077
Claims and other incurred insurance service expenses paid	-	-	(790,604)	-	(790,604)	-	-	(1,264,572)	-	(1,264,572)
Insurance acquisition cash flows paid	(161,369)	-	-	-	(161,369)	(212,066)	-	-	-	(212,066)
<b>Total cash flows</b>	<b>962,583</b>	<b>-</b>	<b>(790,604)</b>	<b>-</b>	<b>171,979</b>	<b>1,223,011</b>	<b>-</b>	<b>(1,264,572)</b>	<b>-</b>	<b>(41,561)</b>
<b>Insurance contracts</b>										
Insurance contract liabilities - closing	288,082	45,736	911,047	145,778	1,390,643	274,119	39,307	920,079	174,251	1,407,756
Insurance contract assets - closing	-	-	-	-	-	-	-	-	-	-
<b>Closing balance - net</b>	<b>288,082</b>	<b>45,736</b>	<b>911,047</b>	<b>145,778</b>	<b>1,390,643</b>	<b>274,119</b>	<b>39,307</b>	<b>920,079</b>	<b>174,251</b>	<b>1,407,756</b>

\* The Company has determined risk adjustment at 75<sup>th</sup> percentile for all portfolios (31 December 2024: 75<sup>th</sup> percentile for all portfolios except for commercial motor which had been determined at 70<sup>th</sup> percentile).

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

	As at 30 September 2025 (Unaudited)					As at 31 December 2024 (Audited)				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk*	Total	Excluding loss recovery component	Loss recovery component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk*	Total
<b>Reinsurance contracts held</b>										
Reinsurance contracts liabilities - opening	(6,132)	-	2,874	1,913	(1,345)	(353)	-	19	10	(324)
Reinsurance contracts assets - opening	(78,841)	-	215,148	62,319	198,626	(50,602)	-	284,328	115,996	349,722
<b>Opening balance - net</b>	<b>(84,973)</b>	<b>-</b>	<b>218,022</b>	<b>64,232</b>	<b>197,281</b>	<b>(50,955)</b>	<b>-</b>	<b>284,347</b>	<b>116,006</b>	<b>349,398</b>
<b>Allocation of reinsurance premium</b>	<b>(168,397)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(168,397)</b>	<b>(175,940)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(175,940)</b>
<b>Amounts recoverable from reinsurers</b>										
Claim recovered and other directly attributable expenses	-	-	53,754	8,378	62,132	-	-	104,978	24,282	129,260
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(5,584)	(24,571)	(30,155)	-	-	1,344	(81,951)	(80,607)
<b>Amounts recoverable from reinsurers - net</b>	<b>(168,397)</b>	<b>-</b>	<b>48,170</b>	<b>(16,193)</b>	<b>(136,420)</b>	<b>(175,940)</b>	<b>-</b>	<b>106,322</b>	<b>(57,669)</b>	<b>(127,287)</b>
Finance income from reinsurance contracts held	-	-	7,607	3,149	10,756	-	-	9,231	5,895	15,126
<b>Total changes in interim condensed statement of income</b>	<b>(168,397)</b>	<b>-</b>	<b>55,777</b>	<b>(13,044)</b>	<b>(125,664)</b>	<b>(175,940)</b>	<b>-</b>	<b>115,553</b>	<b>(51,774)</b>	<b>(112,161)</b>
<b>Cash flows</b>										
Premiums ceded	190,623	-	-	-	190,623	141,922	-	-	-	141,922
Recoveries from reinsurance	-	-	(34,152)	-	(34,152)	-	-	(181,878)	-	(181,878)
<b>Total cash flows</b>	<b>190,623</b>	<b>-</b>	<b>(34,152)</b>	<b>-</b>	<b>156,471</b>	<b>141,922</b>	<b>-</b>	<b>(181,878)</b>	<b>-</b>	<b>(39,956)</b>
<b>Reinsurance contracts</b>										
Reinsurance contract liabilities - closing	(13,669)	-	5,262	1,701	(6,706)	(6,132)	-	2,874	1,913	(1,345)
Reinsurance contract assets - closing	(49,078)	-	234,385	49,487	234,794	(78,841)	-	215,148	62,319	198,626
<b>Closing balance - net</b>	<b>(62,747)</b>	<b>-</b>	<b>239,647</b>	<b>51,188</b>	<b>228,088</b>	<b>(84,973)</b>	<b>-</b>	<b>218,022</b>	<b>64,232</b>	<b>197,281</b>

\* The Company has determined risk adjustment at 75<sup>th</sup> percentile for all reinsurance portfolios (31 December 2024: 75<sup>th</sup> percentile).



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**7. Share capital**

The authorised, issued and paid-up capital of the Company was Saudi Riyals 525 million as at 30 September 2025 and 31 December 2024 consisting of 52.5 million shares of Saudi Riyals 10 each.

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

	<b>Authorised and issued</b>		<b>Paid up</b>
	<b>No. of shares</b>	<b>Saudi Riyals</b>	
Gulf Insurance Group (Gulf) B.S.C (c).	<b>26,250</b>	<b>262,500</b>	<b>262,500</b>
General public	<b>26,250</b>	<b>262,500</b>	<b>262,500</b>
	<b>52,500</b>	<b>525,000</b>	<b>525,000</b>

**8. Prepaid expenses and other assets**

	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Accrued income	<b>18,538</b>	17,902
Prepaid expenses	<b>9,731</b>	11,947
Receivable - insurance arrangements - Note 8.1	<b>20,099</b>	9,568
Employees' receivable	<b>1,133</b>	1,167
Other	<b>498</b>	498
	<b>49,999</b>	41,082

**8.1** This mainly includes balance of receivable for discontinued Covid 19 and Travel products, share of surplus from insurance pools for Inherent Defect Insurance, Rights and Entitlements of Non-Saudi Employees in Private Sector Entities Insurance and Hajj & Umrah. Also see Note 10.

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**9. Insurance finance expense - net**

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

	<b>For the three-month period ended 30 September 2025 (Unaudited)</b>					<b>For the three-month period ended 30 September 2024 (Unaudited)</b>				
	<b>Motor</b>	<b>Property and casualty</b>	<b>Health</b>	<b>Protection</b>	<b>Total</b>	<b>Motor</b>	<b>Property and casualty</b>	<b>Health</b>	<b>Protection</b>	<b>Total</b>
<b>Finance expense from insurance contracts issued</b>										
Interest reversed (accrued)	172	(6)	114	43	323	267	(43)	157	19	400
Effects of changes in interest rates and other financial assumptions	(290)	(538)	(76)	(28)	(932)	(433)	(2,234)	(287)	(18)	(2,972)
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Finance (expense) income from insurance contracts issued</b>	<b>(118)</b>	<b>(544)</b>	<b>38</b>	<b>15</b>	<b>(609)</b>	<b>(166)</b>	<b>(2,277)</b>	<b>(130)</b>	<b>1</b>	<b>(2,572)</b>
<b>Finance income from reinsurance contracts held</b>										
Interest reversed (accrued)	-	12	(2)	-	10	-	28	(3)	-	25
Effects of changes in interest rates and other financial assumptions	(1)	400	14	5	418	22	902	38	6	968
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Finance (expense) income from reinsurance contracts held</b>	<b>(1)</b>	<b>412</b>	<b>12</b>	<b>5</b>	<b>428</b>	<b>22</b>	<b>930</b>	<b>35</b>	<b>6</b>	<b>993</b>
<b>Net insurance finance (expense) income</b>	<b>(119)</b>	<b>(132)</b>	<b>50</b>	<b>20</b>	<b>(181)</b>	<b>(144)</b>	<b>(1,347)</b>	<b>(95)</b>	<b>7</b>	<b>(1,579)</b>

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**9. Insurance finance expense - net (continued)**

	For the nine-month period ended 30 September 2025 (Unaudited)					For the nine-month period ended 30 September 2024 (Unaudited)				
	Motor	Property and casualty	Health	Protection	Total	Motor	Property and casualty	Health	Protection	Total
<b>Finance expense from insurance contracts issued</b>										
Interest accreted	(11,171)	(16,468)	(5,640)	(1,521)	(34,800)	(14,428)	(24,368)	(6,483)	(798)	(46,077)
Effects of changes in interest rates and other financial assumptions	(594)	(1,038)	(151)	(58)	(1,841)	(146)	(950)	(64)	(3)	(1,163)
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Finance expense from insurance contracts issued</b>	<b>(11,765)</b>	<b>(17,506)</b>	<b>(5,791)</b>	<b>(1,579)</b>	<b>(36,641)</b>	<b>(14,574)</b>	<b>(25,318)</b>	<b>(6,547)</b>	<b>(801)</b>	<b>(47,240)</b>
<b>Finance income from reinsurance contracts held</b>										
Interest reversed	67	9,363	295	214	9,939	208	14,449	449	69	15,175
Effects of changes in interest rates and other financial assumptions	1	776	30	10	817	13	416	16	3	448
Foreign exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Finance income from reinsurance contracts held</b>	<b>68</b>	<b>10,139</b>	<b>325</b>	<b>224</b>	<b>10,756</b>	<b>221</b>	<b>14,865</b>	<b>465</b>	<b>72</b>	<b>15,623</b>
<b>Net insurance finance expense</b>	<b>(11,697)</b>	<b>(7,367)</b>	<b>(5,466)</b>	<b>(1,355)</b>	<b>(25,885)</b>	<b>(14,353)</b>	<b>(10,453)</b>	<b>(6,082)</b>	<b>(729)</b>	<b>(31,617)</b>

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**10. Share of surplus from insurance pool**

The details of insurance revenues and net expenses of the insurance pools for the three-month and nine-month periods ending 30 September 2025 and 2024 are as hereunder:

	<b>Insurance Revenue</b>			
	<b>For the three-</b>	<b>For the three-</b>	<b>For the nine-</b>	<b>For the nine-</b>
	<b>month period</b>	<b>month period</b>	<b>month period</b>	<b>month period</b>
	<b>ended 30</b>	<b>ended 30</b>	<b>ended 30</b>	<b>ended 30</b>
	<b>September</b>	<b>September</b>	<b>September</b>	<b>September</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
Share of surplus from Hajj and Umrah - run-off income (Note 10.1)	-	-	-	14,602
Share of surplus from Inherent Defect Insurance (Note 10.2)	1,975	-	6,610	-
Share of surplus from Rights and Entitlements of Non-Saudi Employee (Note 10.3)	47,708	-	47,708	-
	<b>49,683</b>	<b>-</b>	<b>54,318</b>	<b>14,602</b>
<b>Net expenses</b>				
	<b>For the three-</b>	<b>For the three-</b>	<b>For the nine-</b>	<b>For the nine-</b>
	<b>month period</b>	<b>month period</b>	<b>month period</b>	<b>month period</b>
	<b>ended 30</b>	<b>ended 30</b>	<b>ended 30</b>	<b>ended 30</b>
	<b>September</b>	<b>September</b>	<b>September</b>	<b>September</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
Share of surplus from Hajj and Umrah - run-off income (Note 10.1)	-	-	-	11,300
Share of surplus from Inherent Defect Insurance (Note 10.2)	702	-	3,412	-
Share of surplus from Rights and Entitlements of Non-Saudi Employee (Note 10.3)	40,903	-	40,903	-
	<b>41,605</b>	<b>-</b>	<b>44,315</b>	<b>11,300</b>
Share of surplus from insurance pools	<b>8,078</b>	<b>-</b>	<b>10,003</b>	<b>3,302</b>

**10.1 Share of surplus from Hajj and Umrah**

This represents the Company's share in the surplus for medical and general accident product arising from the Hajj and Umrah scheme. The Company with twenty-seven other insurance companies operating in the Kingdom of Saudi Arabia, entered into an agreement with CCI effective from 1 January 2020. The compulsory Umrah product is offered by the ministry and approved by SAMA for insurance of pilgrims coming from outside of the Kingdom of Saudi Arabia except for citizens of the Gulf Cooperation Council countries. This covers medical and general accidents of the pilgrims entering the Kingdom of Saudi Arabia to perform Umrah. The agreement terms are for 4 years starting from 1 January 2020 and it is renewable for another four years subject to the terms and conditions of the agreement. There is no renewal to the agreement as at 30 September 2025 as the aforementioned arrangement has been discontinued.

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**10. Share of surplus from insurance pool (continued)****10.2 Inherent Defect Insurance**

This represents the Company's share of surplus 8.54% in the Inherent Defects Insurance ("IDI") product. On 25 June 2020, a Joint Venture agreement was signed among thirteen insurance companies ("Participating Companies") operating in Kingdom of Saudi Arabia for IDI product, based on the SAMA approval authorising Malath Cooperative Insurance Company ("Malath") as the leading company ("Operator"), to manage the IDI program on behalf of the participating insurance companies, selling the product and providing its insurance coverage by creating joint insurance portfolios. Malath exclusively managed the portfolio during the period of validity of the IDI agreement of five years from issue date. The agreement expired during the nine-month period ended 30 September 2025. Effective 24 June 2025, Tawuniya Cooperative Insurance Company has been appointed as the new operator for IDI. Following an increase in the number of participants from thirteen to seventeen, the Company's share has now changed to 12.22%.

IDI is a mandatory insurance policy for contractors to insure against inherent defects that may appear in buildings and constructions after their occupation in non-governmental sector projects, according to Saudi Council of Ministers Decree No. 509 of 21/09/1439 AH (corresponding to 05/06/2018) and in accordance with the decision 441/187 of the Governor of SAMA dated 05/08/1441 AH (corresponding to 29/03/2020).

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

The Company, along with eighteen other insurance companies operating in the Kingdom of Saudi Arabia, entered into an agreement with Al-Etihad Cooperative Insurance Company, effective from 3 November 2024. This compulsory product covers default of entities in paying the rights and entitlements of non-Saudi employees in private sector entities offered by the "Ministry of Human Resources and Social Development" through IA.

The agreement is valid for an initial term of five years, starting from 3 November 2024, and renewable for another five years, subject to the terms and conditions of the agreement.

**11. Commitments and contingencies**

- (i) The Company has issued various bank guarantees amounting to Saudi Riyals 27.6 million (31 December 2024: Saudi Riyals 28.5 million) in the ordinary course of business.
- (ii) The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business relating to policyholders' insurance claims. 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. Further, there was no material change in the status of legal proceedings during the current period from the status disclosed as at 31 December 2024. Refer to Note 16 for zakat and tax related matters.

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**12. Fair value of financial instruments**

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

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

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

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

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 following table shows the carrying amount and fair values of financial assets, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial asset and liabilities not measured at fair value if the carrying amount is a reasonable approximation to fair value, as these are either short-term in nature or carry interest rates which are based on prevalent market interest rates.

*(a) Carrying amounts and fair value*

	Fair value			
	Level 1	Level 2	Level 3	Total
<b>30 September 2025 (Unaudited)</b>				
<b>Financial assets measured at fair value</b>				
Investments at FVOCI*	<b>1,653,063</b>	<b>33,046</b>	<b>63,664</b>	<b>1,749,773</b>
Investments at FVTPL	<b>117,600</b>	-	-	<b>117,600</b>
<b>Total investments</b>	<b>1,770,663</b>	<b>33,046</b>	<b>63,664</b>	<b>1,867,373</b>
	Fair value			
	Level 1	Level 2	Level 3	Total
<b>31 December 2024 (Audited)</b>				
<b>Financial assets measured at fair value</b>				
Investments at FVOCI*	1,602,633	28,181	61,154	1,691,968
Investments at FVTPL	76,165	-	-	76,165
<b>Total investments</b>	<b>1,678,798</b>	<b>28,181</b>	<b>61,154</b>	<b>1,768,133</b>

\*Financial assets at FVOCI at 30 September 2025 include 1,923,078 shares (31 December 2024: 1,923,078 shares) in Najm for Insurance Services ("Najm"). The investment is carried at fair value of Saudi Riyals 63.7 million as at 30 September 2025 (31 December 2024: Saudi Riyals 61.2 million) computed using "Discounted Cash Flow Method" based on valuation by consultant.

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**12. Fair value of financial instruments (continued)**

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

- **Discounted cashflows ("DCF") method:** The DCF valuation to discount the future operating cash flows of the Company to their present value using a weighted average cost of capital as the discount rate ("WACC"). The value derived from such an analysis results into a value for the enterprise (the "Enterprise Value"). This value includes the equity value of the company in addition to its net debt position. In order to arrive to an equity value of a company (the "Equity Value"), all outstanding financial debt and debt-like items, adjusted for excess cash and other liquid financial assets such as Murabahas and other investments, are subtracted from the Enterprise Value; and
- **Market multiples method:** The acquisition multiples of comparable private precedent transactions were assessed to indicate the value of the Company based on similar private transactions that have occurred during the previous period and covering full economic cycle. The Company has relied on local multiples valuation consisting of companies operating with a similar business model.

A weight of 60% and 40% (31 December 2024: 60% and 40%) are then applied to the fair values determined under both methods, to arrive at the equity valuation of Najm and the Company then accounts for its share in equity of Najm i.e. 3.45% (31 December 2024: 3.45%).

(b) *Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy*

	<b>30 September 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Balance at the beginning of the period/year	<b>61,154</b>	39,703
Unrealised gain on fair value of FVOCI	<b>2,510</b>	21,451
Balance at the end of the period/year	<b>63,664</b>	61,154

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

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**12. Fair value of financial instruments (continued)**

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

	Fair value		Unobservable inputs		Range of inputs		Relationship of Unobservable input to Fair value
	30 September 2025 (Unaudited)	31 December 2024 (Audited)	30 September 2025 (Unaudited)	31 December 2024 (Audited)	30 September 2025 (Unaudited)	31 December 2024 (Audited)	
Unquoted equity investment in Najm	<b>63,664</b>	61,154	<b>Revenue growth rate</b>	Revenue growth rate	<b>9.90%</b>	9.9%	Reducing the revenue growth rate by 100 basis points, would decrease the fair value by Saudi Riyals 0.6 million. (2024: Saudi Riyals 0.6 million)
			<b>WACC</b>	WACC	<b>16.50%</b>	16.5%	Increasing the WACC by 100 basis points, would decrease the fair value by Saudi Riyals 1.8 million. (2024: Saudi Riyals 1.7 million)
			<b>Terminal value growth rate</b>	Terminal value growth rate	<b>1.50%</b>	1.5%	Reducing the terminal value growth rate to 0.5%, would decrease the fair value by Saudi Riyals 1.1 million. (2024: Saudi Riyals 1.1 million)
			<b>EV/EBITDA multiple</b>	EV/EBITDA multiple	<b>7</b>	7	Reducing the EV/EBITDA multiple to 6.3, would decrease the fair value by Saudi Riyals 1.8 million (2024: Saudi Riyals 1.4 million).

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



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**12. Fair value of financial instruments (continued)***(d) Valuation process*

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

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

**13. Segmental information**

Operating segments for the purpose of segmental information 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 of Directors is measured in a manner consistent with that in the interim condensed statement of income. Segment assets and liabilities comprise operating assets and liabilities.

For management purposes, the Company is organised into business units based on their products and services and has the following reportable segments:

- Motor;
- Property and casualty;
- Health; and
- Protection.

Segment performance is evaluated based on profit or loss which, in certain respects, is measured differently from profit or loss in the interim condensed financial information.

Where intersegment transactions were to occur, transfer prices between operating segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment income, expense and results will then include those transfers between operating segments which will then be eliminated at the level of interim condensed financial information of the Company.

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**13. Segmental information (continued)**

The segment information provided to the Company's Board of Directors for the reportable segments for the Company's total assets and liabilities at 30 September 2025 and 31 December 2024, its total revenues, expenses, and net income for the three-month and nine-month periods ended 30 September 2025 and 2024 then ended are as follows:

*a) Segmental interim condensed statement of income:*

	For the three-month period ended 30 September 2025 (Unaudited)					For the nine-month period ended 30 September 2025 (Unaudited)				
	Motor	Property and casualty	Health	Protection	Total	Motor	Property and casualty	Health	Protection	Total
Insurance revenue	169,059	116,111	74,887	21,901	381,958	471,328	303,605	263,330	70,453	1,108,716
Insurance service expenses	(162,199)	(45,051)	(67,986)	(23,185)	(298,421)	(440,293)	(107,136)	(269,132)	(66,422)	(882,983)
Net (expense) income from reinsurance contracts held	(1,790)	(60,312)	(1,694)	39	(63,757)	(4,567)	(128,526)	(3,403)	76	(136,420)
Net finance (expense) income	(119)	(132)	50	20	(181)	(11,697)	(7,367)	(5,466)	(1,355)	(25,885)
<b>Segment results</b>	<b>4,951</b>	<b>10,616</b>	<b>5,257</b>	<b>(1,225)</b>	<b>19,599</b>	<b>14,771</b>	<b>60,576</b>	<b>(14,671)</b>	<b>2,752</b>	<b>63,428</b>
Share of surplus from insurance pools					8,078					10,003
Investment income					28,635					75,283
Other operating expenses					(8,992)					(30,647)
Other income					-					878
<b>Profit before tax</b>					<b>47,320</b>					<b>118,945</b>

	For the three-month period ended 30 September 2024 (Unaudited)					For the nine-month period ended 30 September 2024 (Unaudited)				
	Motor	Property and casualty	Health	Protection	Total	Motor	Property and casualty	Health	Protection	Total
Insurance revenue	162,318	87,143	106,524	23,285	379,270	468,762	254,795	327,099	50,391	1,101,047
Insurance service expenses	(119,317)	(29,203)	(127,741)	(26,897)	(303,158)	(397,862)	(80,644)	(355,406)	(59,717)	(893,629)
Net (expense) income from reinsurance contracts held	(866)	(64,046)	8,648	(709)	(56,973)	(5,555)	(138,205)	4,488	(2,279)	(141,551)
Net finance (expense) income	(144)	(1,347)	(95)	7	(1,579)	(14,353)	(10,453)	(6,082)	(729)	(31,617)
<b>Segment results</b>	<b>41,991</b>	<b>(7,453)</b>	<b>(12,664)</b>	<b>(4,314)</b>	<b>17,560</b>	<b>50,992</b>	<b>25,493</b>	<b>(29,901)</b>	<b>(12,334)</b>	<b>34,250</b>
Share of surplus from insurance pools					-					3,302
Investment income					24,291					70,389
Other operating expenses					(12,407)					(35,197)
Other income					75					81
<b>Profit before tax</b>					<b>29,519</b>					<b>72,825</b>

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**13. Segmental information** (continued)b) *Segmental interim condensed statement of financial position:*

<b>30 September 2025 (Unaudited)</b>	<b>Motor</b>	<b>Property and casualty</b>	<b>Health</b>	<b>Protection</b>	<b>Total</b>
<b>ASSETS AND LIABILITIES</b>					
Reinsurance contract assets	<b>2,770</b>	<b>216,699</b>	<b>7,082</b>	<b>8,243</b>	<b>234,794</b>
Unallocated assets					<b>2,548,188</b>
<b>TOTAL ASSETS</b>					<b>2,782,982</b>
Insurance contract liabilities	<b>584,546</b>	<b>518,112</b>	<b>230,285</b>	<b>57,700</b>	<b>1,390,643</b>
Reinsurance contract liabilities	<b>747</b>	<b>5,959</b>	<b>-</b>	<b>-</b>	<b>6,706</b>
Unallocated liabilities					<b>219,489</b>
<b>TOTAL LIABILITIES</b>					<b>1,616,838</b>
<b>31 December 2024 (Audited)</b>					
<b>ASSETS AND LIABILITIES</b>					
Reinsurance contract assets	691	188,413	4,293	5,229	198,626
Unallocated assets					<b>2,573,972</b>
<b>TOTAL ASSETS</b>					<b>2,772,598</b>
Insurance contract liabilities	562,927	522,071	275,268	47,490	1,407,756
Reinsurance contract liabilities	725	363	-	257	1,345
Unallocated liabilities					<b>273,540</b>
<b>TOTAL LIABILITIES</b>					<b>1,682,641</b>

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**14. Related party transactions and balances**

The controlling shareholder of the Company is Gulf Insurance Group (Gulf) B.S.C. (GIG Gulf) which is ultimately owned by Fairfax Financial Holdings Limited.

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 three-month and nine-month periods ended 30 September 2025 and 2024, and the related balances:

	<b>For three-month ended 30 September</b>		<b>For nine-month ended 30 September</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b><u>Major shareholders</u></b>				
Reinsurance premiums ceded (forming part of net expenses/income from reinsurance contracts held)	<b>8,021</b>	944	<b>15,024</b>	3,007
Reinsurance commissions (forming part of net expenses/income from reinsurance contracts held)	<b>566</b>	67	<b>831</b>	270
Reinsurers' share of gross claims paid (forming part of net expenses/income from reinsurance contracts held)	<b>331</b>	1	<b>882</b>	5,467
Other operating expenses	<b>574</b>	-	<b>879</b>	589
<b><u>Entities controlled, jointly controlled or significantly influenced by related parties</u></b>				
Gross premiums (forming part of insurance revenue)	<b>261</b>	293	<b>2,387</b>	2,881
Net claims paid (forming part of insurance service expenses)	<b>945</b>	2,499	<b>3,288</b>	14,478

The compensation of key management personnel during the three-month and nine-month periods ended 30 September 2025 and 2024 is as follows:

	<b>For three-month period ended 30 September</b>		<b>For nine-month period ended 30 September</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Salaries and benefits	<b>3,809</b>	2,775	<b>10,327</b>	7,559
Employee benefit obligations	<b>96</b>	237	<b>489</b>	549

Board of Directors fees for the three-month and nine-month periods ended 30 September 2025 were Saudi Riyals 0.4 million and Saudi Riyals 1.1 million, respectively (three-month and nine-month periods ended 30 September 2024: Saudi Riyals 0.4 million and Saudi Riyals 1.3 million, respectively).

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**14. Related party transactions and balances (continued)**

The transactions with related parties are carried out at commercial terms and conditions. Compensation to key management personnel is on employment terms and as per the By-laws of the Company.

Due to related parties represents amounts payable to the GIG group which is provided as below:

	<b>30 September 2025</b>	<b>31 December 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Gulf Insurance Group (Gulf) B.S.C	<b>2,508</b>	680
Gulf Insurance Group K.S.C.P	<b>1,807</b>	389
	<b>4,315</b>	1,069

**15. Investment income**

	<b>For three-month period ended 30 September</b>		<b>For nine-month period ended 30 September</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Income from deposits	<b>6,248</b>	5,994	<b>19,784</b>	22,518
Income on financial assets at FVOCI	<b>15,850</b>	15,450	<b>46,945</b>	45,259
Income on financial assets at FVTPL	<b>851</b>	953	<b>2,463</b>	2,738
Unrealised gain (loss) on financial assets at FVTPL	<b>7,673</b>	668	<b>4,408</b>	(3,264)
Realised (loss) gain on financial assets at FVOCI	-	(5)	<b>21</b>	(328)
Realised loss on financial assets at FVTPL	<b>(3,445)</b>	-	<b>(3,445)</b>	-
Reversal of net impairment credit losses on deposits	-	-	<b>9</b>	6
Net Impairment credit (losses) reversal on financial assets at FVOCI	<b>(249)</b>	(213)	<b>227</b>	(700)
Net accretion on financial assets at FVOCI	<b>1,707</b>	1,444	<b>4,871</b>	4,160
<b>Total investment income - net</b>	<b>28,635</b>	24,291	<b>75,283</b>	70,389

**16. Zakat and income tax***Status of assessments*

The Company has filed its Zakat and Income Tax returns with the Zakat and Tax Customs Authority (ZATCA) up to the year 2024. The Company has finalised its zakat and tax assessments with the ZATCA for all years up to 31 December 2020. Further, the assessments for the years from 2021 to 2024 are under review by ZATCA.

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**17. Statutory reserve**

In accordance with By-laws of the Company and Article 70(2)(g) of the Implementing Regulations for Co-operative Insurance Companies issued by the Insurance Authority, formerly SAMA, the Company is required to transfer not less than 20% of its annual profits, after adjusting accumulated losses, to a statutory reserve until such reserve amounts to 100% of the paid-up share capital of the Company. This reserve is not available for distribution to the shareholders until the liquidation of the Company.

**18. Capital risk management**

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

- To comply with the insurance capital requirements as set out in the Law. The Company's current paid-up share capital is in accordance with Article 3 of the Law;
- To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk.

The Company manages its capital requirements by assessing shortfalls between reported and required capital levels on a regular basis. Adjustments to current capital levels are made in light of changes in market conditions and risk characteristics of the Company's activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue shares.

As per Article 66 of the Regulations, the Company shall maintain a solvency margin equivalent to the highest of the following three methods:

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

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

**19. Basic and diluted earnings per share**

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

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

	<b>For the three-month period ended 30 September</b>		<b>For the nine-month period ended 30 September</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Total income for the period attributable to the shareholders	<b>34,433</b>	21,811	<b>95,665</b>	54,051
Weighted average number of ordinary shares for basic and diluted income per share	<b>52,500</b>	52,500	<b>52,500</b>	52,500
Basic and diluted earnings per share	<b>0.66</b>	0.42	<b>1.82</b>	1.03

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**20. Gross written premium**

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

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

	<b>Motor</b>	<b>Property and casualty</b>	<b>Health</b>	<b>Protection</b>	<b>Total</b>
Large corporates	31,887	41,475	34,999	-	108,361
Medium corporates	31,001	47,486	55	1,320	79,862
Small corporates	10,462	16,561	166	-	27,189
Micro corporates	1,507	7,099	-	-	8,606
Retail	105,862	25,659	3,346	-	134,867
	<b>180,719</b>	<b>138,280</b>	<b>38,566</b>	<b>1,320</b>	<b>358,885</b>

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

Large corporates	12,035	32,373	85,372	-	129,780
Medium corporates	22,684	45,858	59	20,661	89,262
Small corporates	8,063	9,732	311	-	18,106
Micro corporates	1,032	466	-	-	1,498
Retail	106,222	23,554	5,505	-	135,281
	<b>150,036</b>	<b>111,983</b>	<b>91,247</b>	<b>20,661</b>	<b>373,927</b>

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

	<b>Motor</b>	<b>Property and casualty</b>	<b>Health</b>	<b>Protection</b>	<b>Total</b>
Large corporates	148,695	106,434	196,884	-	452,013
Medium corporates	113,637	125,795	3,041	75,267	317,740
Small corporates	69,060	95,849	1,039	-	165,948
Micro corporates	4,685	11,087	2	-	15,774
Retail	218,675	53,941	10,907	-	283,523
	<b>554,752</b>	<b>393,106</b>	<b>211,873</b>	<b>75,267</b>	<b>1,234,998</b>

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

Large corporates	69,193	93,004	303,309	-	465,506
Medium corporates	112,553	96,535	4,801	58,526	272,415
Small corporates	55,409	66,501	1,032	-	122,942
Micro corporates	4,833	7,414	-	-	12,247
Retail	249,312	54,749	27,504	-	331,565
	<b>491,300</b>	<b>318,203</b>	<b>336,646</b>	<b>58,526</b>	<b>1,204,675</b>

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**21. Goodwill**

This represents goodwill recognised on acquisition of insurance portfolio and net assets of AXA Saudi Arabia Holding W.L.L. (formerly: "AXA Insurance Saudi Arabia B.S.C (c)"). The Company received approval from SAMA on 15 Dhul-Qadah 1433H (corresponding to 1 October 2012) to transfer the insurance portfolio from AXA Saudi Arabia Holding W.L.L. (formerly AXA Insurance Saudi Arabia B.S.C.c) at a total consideration of Saudi Riyals 106.6 million. During 2015, the Company met payment conditions imposed by SAMA and received approval for payment of Saudi Riyals 50 million in respect of initial consideration to AXA Saudi Arabia Holding W.L.L. which was recognised as goodwill being the excess of consideration paid, and the net assets acquired. The remaining amount of Saudi Riyals 56.6 million which was recorded as contingent liability was accordingly relinquished.

The Company tests the goodwill for impairment at each reporting date, if there are impairment indicators, and at least annually. As of 30 September 2025, there were no impairment indicators identified and hence no impairment testing has been performed by management.

**22. Sensitivity analysis**

The Company believes that the claim liabilities under insurance contracts outstanding at the reporting periods are adequate. However, these amounts are not certain, and actual payments may differ from the claim's liabilities provided in the interim condensed financial information. The insurance results are sensitive to various assumptions. It has not been possible to quantify the sensitivity specific variable such as legislative changes or uncertainties in the estimation process.

	<b>Impact on net income before zakat and income tax</b>	
	<b>2025</b> <b>(Unaudited)</b>	<b>2024</b> <b>(Unaudited)</b>
<b>Claims ratio</b>		
5 % increase	<b>(44,586)</b>	(40,860)
5 % decrease	<b>44,586</b>	40,860
<b>Change in direct expense ratio - loss component*</b>		
5 % increase	<b>(17,834)</b>	(16,344)
5 % decrease	<b>17,834</b>	16,344
<b>Change in risk adjustment for non-financial risk</b>		
5 percentiles increase in the confidence level	<b>(54,585)</b>	(57,748)
5 percentiles decrease in the confidence level	<b>57,053</b>	14,052

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



**GULF INSURANCE GROUP**

(A Saudi Joint Stock Company)

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION**

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

(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

**23. Dividends**

During the three-month and nine-month periods ended 30 September 2025, cash dividends amounting to Saudi Riyals 63 million was paid (31 December 2024: Saudi Riyals 78.75 million) based on Board of Directors resolution dated 27 Ramadan 1446H (corresponding to 27 March 2025) to distribute cash dividends to shareholders related to the year ended 31 December 2024 amounting of Saudi Riyals 1.2 per share. This cash dividends had been approved by the General Assembly in their meeting dated 2 Dul' Hijjah 1446H (corresponding to 29 May 2025).

**24. Subsequent event**

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

**25. Approval of the interim condensed financial information**

This interim condensed financial information has been authorised for issue by the Board of Directors on 8 Jumada al-Ula 1447 corresponding to 30 October 2025.