THE MEDITERRANEAN & GULF COOPERATIVE INSURANCE AND REINSURANCE COMPANY

(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL INFORMATION

FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026 (UNAUDITED) AND REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

THE MEDITERRANEAN & GULF COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026 (UNAUDITED)

INDEX	Page

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Chartered Accountants

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RSM

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

TO THE SHAREHOLDERS OF
THE MEDITERRANEAN & GULF COOPERATIVE
INSURANCE AND REINSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTRODUCTION

We have reviewed the accompanying interim condensed statement of financial position of **The Mediterranean & Gulf Cooperative Insurance and Reinsurance Company ("the Company")** as of 30 June 2026, and the related interim condensed statements of income and comprehensive income for the three-month and six-month periods then ended, and the related interim condensed statements of changes in equity and cashflows for the six-months period then ended and other explanatory notes from 1 to 27. 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") that is 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 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 information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

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

OTHER MATTER

The financial statements for the year ended 31 December 2025 and the interim condensed financial information for the three-month and six-month periods ended 30 June 2025 were audited and reviewed, respectively, by other joint auditors who expressed an unmodified opinion on those financial statements and unmodified review conclusion on the interim condensed financial information on 1 April 2026 (corresponding to 13 Shawwal 1447H) and 11 August 2025 (corresponding to 17 Safar 1447H), respectively.

PKF Al Bassam
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PKF Al Bassam
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11 August 2026
28 Safar 1448H

RSM Allied Accountants
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P.O. Box 8335
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س.ت: ٤٠٣٠٢٢٨٧٧٣
C.R. 4030228773
RSM Allied Accountants Professional Services Co.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS			
Cash and cash equivalents	4	**703,848**	375,928
Short term deposits	5	**132,556**	240,376
Financial investments	6	**1,382,024**	1,308,422
Insurance contract assets	7	**30,266**	110,217
Reinsurance contract assets	7	**378,571**	378,625
Prepayments and other assets	8	**374,615**	355,108
Investment in associates	9	**12,529**	10,792
Property and equipment		**33,397**	28,332
Intangible assets		**24,889**	27,889
Right-of-use assets	10	**16,310**	19,049
Goodwill	11	**723,465**	723,465
Deferred tax asset	13	**9,581**	9,581
Statutory deposit	12	**187,500**	187,500
Accrued commission on statutory deposit	12	**8,885**	3,511
TOTAL ASSETS		**4,018,436**	3,778,795

(Continued)

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

Mr. Yasser Youssef Mohammed Naghi
Chairman of the Board of Directors

Mr. Umar Abdulrahman AlMahmoud
Chief Executive Officer

Mr. Georgi Markov
Chief Financial Officer

THE MEDITERRANEAN & GULF COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (CONTINUED)
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
LIABILITIES AND EQUITY			
LIABILITIES			
Accrued expenses and other liabilities		**98,064**	77,032
Insurance contract liabilities	7	**2,134,183**	2,001,697
Reinsurance contract liabilities	7	**49,468**	31,340
Zakat and income tax	13	**10,235**	7,735
Lease liabilities	14	**16,510**	20,087
Employee benefit obligations		**44,921**	44,524
Accrued commission on statutory deposit	12	**8,885**	3,511
TOTAL LIABILITIES		**2,362,266**	2,185,926
EQUITY			
Share capital	19 (a)	**1,381,579**	1,381,579
Share premium	19 (b)	**147,151**	242,089
Statutory reserve		**26,135**	26,135
Retained earnings / (accumulated losses)		**44,167**	(114,072)
Remeasurement reserve of employee benefit obligations		**(22,565)**	(22,565)
Fair values reserve on investments		**79,703**	79,703
TOTAL EQUITY		**1,656,170**	1,592,869
TOTAL LIABILITIES AND EQUITY		**4,018,436**	3,778,795

(Concluded)

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

Mr. Yasser Youssef Mohammed Naghi
Chairman of the Board of Directors

Mr. Umar Abdulrahman AlMahmoud
Chief Executive Officer

Mr. Georgi Markov
Chief Financial Officer

THE MEDITERRANEAN & GULF COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF INCOME
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	For the three-months period ended		For the six-months period ended	
		June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Insurance revenue	7	**1,314,513**	1,026,441	**2,565,761**	2,026,784
Insurance service expense	17	**(1,229,274)**	(959,500)	**(2,469,913)**	(1,876,555)
Net expense from reinsurance contracts held	17	**(47,394)**	(46,676)	**(28,683)**	(119,888)
Share of surplus from insurance pools	15	**5,013**	1,907	**5,013**	1,907
Total insurance service result		**42,858**	22,172	**72,178**	32,248
Finance expense from insurance contracts issued	18	**(9,657)**	(26,294)	**(15,591)**	(26,690)
Finance income from reinsurance contracts held	18	**1,249**	1,437	**2,188**	3,851
Net insurance finance expense		**(8,408)**	(24,857)	**(13,403)**	(22,839)
Net insurance financial result		**34,450**	(2,685)	**58,775**	9,409
Commission income		**16,664**	9,458	**32,697**	18,728
Fair value gain / (loss) on financial assets at fair value through profit or loss	6	**(2,368)**	(9,471)	**1,397**	(8,011)
Dividend income		**7,667**	3,407	**10,745**	5,084
Net investment income		**21,963**	3,394	**44,839**	15,801
Other (expense) / income		**(8,387)**	4,258	**(14,524)**	2,929
Share of income from associates	9	**234**	939	**1,737**	939
Shareholders' general and administrative expenses		**(1,593)**	(3,415)	**(6,744)**	(5,949)
Total other operating (expense) / income		**(9,746)**	1,782	**(19,531)**	(2,081)
Net income for the period before zakat and income tax		**46,667**	2,491	**84,083**	23,129
Zakat and income tax expense	13	**(2,500)**	(3,961)	**(3,667)**	(4,961)
Income / (loss) attributed to the shareholders after zakat and income tax		**44,167**	(1,470)	**80,416**	18,168
Basic and diluted earnings / (loss) per share (expressed in Saudi Riyals per share)	19 (c)	**0.32**	(0.01)	**0.58**	0.17

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

Mr. Yasser Youssef Mohammed Naghi
Chairman of the Board of Directors

Mr. Umar Abdulrahman AlMahmoud
Chief Executive Officer

Mr. Georgi Markov
Chief Financial Officer

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

		For the three-months period ended		For the six-months period ended	
		June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
	Notes	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Income / (loss) attributed to the shareholders after zakat and income tax		**44,167**	(1,470)	**80,416**	18,168
Other comprehensive income					
Items that will not be reclassified to interim condensed statement of income in subsequent periods					
Net changes in fair value of investments measured at fair value through other comprehensive income (FVOCI) – equity instruments	6	**-**	-	**-**	2,509
		-	-	**-**	2,509
Total other comprehensive income		**-**	-	**-**	2,509
Total comprehensive income / (loss) attributed to the shareholders		**44,167**	(1,470)	**80,416**	20,677

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

Mr. Yasser Youssef Mohammed Naghi	**Mr. Umar Abdulrahman AlMahmoud**	**Mr. Georgi Markov**
Chairman of the Board of Directors	**Chief Executive Officer**	**Chief Financial Officer**

THE MEDITERRANEAN & GULF COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	Share capital	Share premium	Statutory reserve	(Accumulated losses) / retained earnings	Fair values reserve on investments	Remeasurement reserve of employee benefit obligations	Total
Balance as at January 1, 2026 (Audited)		**1,381,579**	**242,089**	**26,135**	**(114,072)**	**79,703**	**(22,565)**	**1,592,869**
Total comprehensive income for the period								
-Net income for the period		-	-	-	**80,416**	-	-	**80,416**
-Total other comprehensive income		-	-	-	-	-	-	-
Transaction cost related to merger	19 (b)	-	**(17,115)**	-	-	-	-	**(17,115)**
Adjustment of accumulated losses	26	-	**(77,823)**	-	**77,823**	-	-	-
Balance as at June 30, 2026 (Unaudited)		**1,381,579**	**147,151**	**26,135**	**44,167**	**79,703**	**(22,565)**	**1,656,170**
Balance as at January 1, 2025 (Audited)		1,050,000	70,000	26,135	(155,135)	59,008	(21,364)	1,028,644
Total comprehensive income for the period								
-Net income for the period		-	-	-	18,168	-	-	18,168
-Total other comprehensive income		-	-	-	-	2,509	-	2,509
Balance as at June 30, 2025 (unaudited)		1,050,000	70,000	26,135	(136,967)	61,517	(21,364)	1,049,321

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

Mr. Yasser Youssef Mohammed Naghi
Chairman of the Board of Directors

Mr. Umar Abdulrahman AlMahmoud
Chief Executive Officer

Mr. Georgi Markov
Chief Financial Officer

THE MEDITERRANEAN & GULF COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CASH FLOWS
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	For the six-months period ended June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before zakat and income tax		**84,083**	23,129
Adjustments for non-cash items:			
Depreciation and amortization		**5,104**	8,784
Depreciation of right-of-use assets	10	**5,549**	4,830
Finance cost on lease liabilities	14	**464**	610
Share of income from associates	9	**(1,737)**	(939)
Gain on lease termination		**(566)**	-
Provision for employee benefit obligations		**3,199**	1,452
Finance expense from insurance and reinsurance contracts	18	**13,403**	22,839
Fair value (gain) / loss on financial assets at fair value through profit or loss	6 (b)	**(1,397)**	8,011
		108,102	68,716
Changes in operating assets and liabilities:			
Insurance contract assets		**64,360**	(23,824)
Reinsurance contract assets		**2,242**	74,155
Prepayments and other assets		**(19,507)**	7,039
Insurance contract liabilities		**132,486**	178,615
Reinsurance contract liabilities		**18,128**	15,159
Accrued expenses and other liabilities		**21,032**	(58,550)
Cash generated from operations		**326,843**	261,310
Zakat and income tax paid		**(1,167)**	(3,962)
Employee benefit obligations paid		**(2,802)**	(2,681)
Net cash inflow from operating activities		**322,874**	254,667
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend from an associate		**-**	375
Additions to investments carried at fair value through profit or loss	6 (b)	**(103,440)**	(164,154)
Proceeds from disposal of investments carried at fair value through profit or loss	6 (b)	**31,235**	103,851
Additions in property, equipment and intangible		**(7,169)**	(17,148)
Proceeds from short term deposits, net	5	**107,820**	29,445
Net cash inflow / (outflow) from investing activities		**28,446**	(47,631)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities	14	**(6,285)**	(5,626)
Transaction cost related to merger	19 (b)	**(17,115)**	-
Net cash used in financing activities		**(23,400)**	(5,626)
Net increase in cash and cash equivalents		**327,920**	201,410
Cash and cash equivalents, beginning of the period	4	**375,928**	486,067
Cash and cash equivalents, end of the period		**703,848**	687,477
Non-cash supplemental financial information:			
Net changes in fair value of investments measured at FVOCI – equity instruments	6 (a)	**-**	2,509
Addition to right-of-use assets	10	**3,484**	-

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

Mr. Yasser Youssef Mohammed Naghi	**Mr. Umar Abdulrahman AlMahmoud**	**Mr. Georgi Markov**
Chairman of the Board of Directors	**Chief Executive Officer**	**Chief Financial Officer**

1 GENERAL

The Mediterranean and Gulf Cooperative Insurance and Reinsurance Company (the "Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 1010231925 and unified No. 7000029889 dated 8 Rabi Thani 1428H (corresponding to 26 April 2007). The registered address of the Company's head office

Medgulf Insurance
Futuro Tower
King Saud Road
P.O. Box 2302
Riyadh 11451, Saudi Arabia

The objectives of the Company are to transact in cooperative insurance and reinsurance business and related activities in the Kingdom of Saudi Arabia. Its principal lines of business include medical, motor and other general insurance. The Company was listed on the Saudi Arabian Stock Exchange (Tadawul) on 28 Rabi Al-Awal 1428H (corresponding to 16 April 2007).

Medgulf completed its merger with Buruj Cooperative Insurance on 30 October 2025. Following regulatory and shareholder approvals, Medgulf issued 33.16 million new shares to Buruj shareholders, increasing its share capital by 31.58%. As a result, all of Buruj's assets, liabilities, rights, and contracts were transferred to Medgulf, which became Buruj's legal successor.

2 BASIS OF PREPARATION

a) Statement of compliance

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

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

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

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

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

b) Basis of measurement

The interim condensed financial information is prepared under the historical cost convention, except as explained in the relevant accounting policies in the annual financial statements for the year ended 31 December 2025.

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 2025.

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, prepayments other assets, accrued commission income on statutory deposit, financial assets at FVTPL, accrued expenses and other liabilities, zakat and income tax and accrued commission income payable on statutory deposit. The following balances would generally be classified as non-current: property and equipment, right-of-use assets, goodwill, intangible assets, financial assets at FVOCI, statutory deposit, deferred tax assets, investment in associates and employee benefit obligations. The balances which are of mixed in nature i.e. include both current and non-current portions include insurance contract assets and liabilities, reinsurance contract assets and liabilities and lease liabilities.

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

2 BASIS OF PREPARATION (Continued)

d) Going concern

The management has performed an assessment of its going concern assumption under different scenarios. Based on the underlying projections under such scenarios, the management believes that the Company will be able to continue the business and meet its obligations as and when they fall due over the next 12 months. As a result, the interim condensed financial information have been prepared on a going concern basis. Management`s assessment is based on number of estimates and assumptions including significant underwriting and pricing measures, improved recoveries from major policyholders, reinsurers and related parties and other cost saving measures.

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

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 December 31, 2025.

3.1 New standards, amendments and interpretations

A number of new and amended standards became applicable for the current reporting period.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7.
- Annual improvements to IFRS - Volume 11.
- IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity.

The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for January 1, 2026 reporting periods and have not been early adopted by the Company.

- IFRS 18 - Presentation and Disclosure in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures
- Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency

Management is in the process of assessing the impact of such new standards, interpretations and amendments on its financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements and applies for reporting periods beginning on or after January 1, 2027. The Company has not early adopted the new accounting standard in preparing these interim condensed financial information; however, earlier application is permitted.

The Company is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its financial statements.

IFRS 18 introduces new requirements for the presentation and disclosure of information in the financial statements and carries forward many requirements from IAS 1 unchanged. It does not change the recognition and measurement requirements of other IFRS Accounting Standards. Accordingly, neither profit for the period nor total equity are expected to change as a result of the Company's adoption of IFRS 18; however, the structure of the primary financial statements and a number of disclosures in the notes will change, and comparative information might also be subject to required changes.

The Company has performed an initial internal gap assessment of the estimated impact that the initial application of IFRS 18 will have on its financial statements. The principal expected effects, based on the information currently available, are set out below. The assessment remains subject to change as the Company completes its implementation programme and as further interpretive and regulatory guidance develops.

a) Structure of the statement of Income

IFRS 18 requires entities to classify all income and expenses into categories in the statement of Income – namely operating, investing, financing, zakat income tax and discontinued operations. Classification of income and expenses depends on the main business activities of an entity. The Company has determined that its main business activity is insurance . within the scope of IFRS 17 “Insurance Contracts”.

3 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.1 New standards, amendments and interpretations (Continued)

IFRS 18 Presentation and Disclosure in Financial Statements (Continued)

a) Structure of the statement of Income (Continued)

Neither net profit nor net assets are expected to significantly change as a result of the Company's adoption of IFRS 18. The Company will be required to present two newly defined subtotals, which are 'operating profit' and 'profit or loss before financing and income taxes', However, operating profit subtotal differs from the current operating profit subtotal presented by the Company. Based on the information currently available, the Company expects changes to the current structure of the statement of profit or loss to result from the following:

- All amounts recognised under IFRS 17 — insurance revenue, insurance service expenses, net income or expenses from reinsurance contracts held (together, the insurance service result) and insurance finance income and expenses — will be classified in the operating category. Insurance finance income and expenses are specifically excluded from the financing category.
- Income and expenses from investments held to back insurance liabilities and shareholder funds — including interest income, dividend income, realised and unrealised fair value gains and losses, and expected credit losses and reversals — which are currently presented separately from the net insurance result, will be classified in the operating category because investing in assets is a related to main business activity of the Company. Incremental costs directly attributable to the acquisition or disposal of these investments will follow the same
- The share of surplus from insurance pool will be presented as part of operating profit

b) Presentation and disaggregation of operating expenses:

IFRS 18 requires an entity to present operating expenses in a way that provides a useful structured summary of its expenses, classified either by nature, by function, or on a mixed basis. Insurance service expenses presented in accordance with IFRS 17 constitute presentation by function. Because the Company presents expenses by function on the face of the statement of Income, it will be required to disclose in a single note the amounts of specified expenses by nature included within each functional line item. The Company is currently working on for developing the required disclosure.

c) Management- defined performance measures

Management-defined performance measures (MPMs) are subtotals of income and expenses used in public communications outside the financial statements that communicate to users, management's view of an aspect of the financial performance of the Company.

The Company will be required to disclose specific information about MPMs in a single note in the financial statements, comprising:

- a description of the aspect of financial performance that the measure communicates and why management believes the measure provides useful information for the users of financial statements.
- a short description of how the measure is calculated.
- a reconciliation between the measure and the most directly comparable subtotal or total specified by IFRS 18 or required by IFRS Accounting Standards, including the income tax effect for each reconciling item. And
- a statement that the measure reflects management's view and is not necessarily comparable with measures with similar labels used by other entities.

The Company is in process to determine which public communications should be considered when identifying MPMs.

MPMs relate to the same reporting period as the financial statements. Therefore, MPMs disclosed by the Company following adoption of IFRS 18 will be determined based on public communications issued by the Company relating to the 2027 interim reporting period.

d) Principles of aggregation and disaggregation

IFRS 18 provides enhanced principles on how to Company information in the financial statements (i.e. the primary financial statements and the notes). It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Company is assessing the grouping of items on the basis of similar and dissimilar characteristics. Based on this assessment, it will present line items in the primary financial statements that provide useful structured summaries and disclose additional material information in the notes.

The Company is also assessing line items currently labelled as 'other' and will use more informative labels.

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 December 31, 2025.

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

4 CASH AND CASH EQUIVALENTS

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

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Bank balances	**536,479**	216,870
Time deposits	**167,369**	159,058
Cash and cash equivalents	**703,848**	375,928

Cash at banks is placed with counterparties with credit ratings ranging from A+ to BBB ratings as per Standard and Poor's, Fitch's and Moody's rating methodologies.

Time deposit at June 30, 2026 and December 31, 2025 are placed with the local and licensed foreign banks' branches in Kingdom of Saudi Arabia with original maturity of less than three months from the date of placement and earned commission income at an average rate of 5.45% (December 31, 2025: 5.45%) per annum.

The carrying amounts disclosed above reasonably approximate the fair value at the statement of financial position date.

5 SHORT TERM DEPOSITS

Short term deposits are placed with counterparties that have credit ratings equivalent to A- to Aa3 ratings under Standard and Poor's, Fitch and Moody's rating methodologies.

Short term deposits are placed with local and licensed foreign banks' branches in Kingdom of Saudi Arabia with a maturity of more than three months but less than or equal to 12 months from the date of placement and earned commission income at an average rate of 6% (December 31, 2025: 6%) per annum.

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
At the beginning of the period / year	**240,376**	29,445
Placed during the period / year	**-**	54,876
Acquired through business combination during the period / year	**-**	185,500
Matured during the period / year	**(107,820)**	(29,445)
At the end of the period / year	**132,556**	240,376

The carrying amounts disclosed above reasonably approximate the fair value at the interim condensed statement of financial position date.

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

6 FINANCIAL INVESTMENTS

Financial investments are classified as set out below:

	Notes	Shareholders' operations		Insurance operations		Total	
		June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Financial assets at fair value through other comprehensive income	6 a)	**163,635**	163,635	**-**	-	**163,635**	163,635
Financial assets at fair value through profit & loss	6 b)	**1,200,271**	1,119,796	**18,118**	24,991	**1,218,389**	1,144,787
		1,363,906	1,283,431	**18,118**	24,991	**1,382,024**	1,308,422

6 a) Financial assets at fair value through other comprehensive income

	Shareholders' operations		Insurance operations		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Type of investments						
-Equity - unquoted	**163,635**	163,635	**-**	-	**163,635**	163,635
	163,635	163,635	**-**	-	**163,635**	163,635

The movements during the period / year in financial assets at fair value through other comprehensive income is as follows:

	Shareholders' operations		Insurance operations		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Fair value at beginning of the period / year	**163,635**	79,273	**-**	-	**163,635**	79,273
Acquired through business combination	**-**	63,667	**-**	-	**-**	63,667
Net change in fair values	**-**	20,695	**-**	-	**-**	20,695
Fair value at end of the period / year	**163,635**	163,635	**-**	-	**163,635**	163,635

The Company has classified its equity investments in Najm for Insurance Services Companies, IO Health and TachyHealth, all private unquoted equities, as fair value through other comprehensive income, as these are strategic investments that are long-term in nature and the Company does not intend to sell or liquidate them.

6 b) Financial assets at fair value through profit & loss

	Shareholders' operations		Insurance operations		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Type of investments						
-Equity - quoted	**200,877**	195,465	**-**	-	**200,877**	195,465
-Mutual fund	**251,820**	242,774	**18,118**	24,991	**269,938**	267,765
-Sukuks quoted	**380,840**	670,409	**-**	-	**380,840**	670,409
-Sukuks unquoted	**366,734**	11,148	**-**	-	**366,734**	11,148
	1,200,271	1,119,796	**18,118**	24,991	**1,218,389**	1,144,787

The movements during the period / year in financial assets at fair value through profit & loss were as follows:

	Shareholders' operations		Insurance operations		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Fair value at beginning of the period / year	**1,119,796**	972,571	**24,991**	-	**1,144,787**	972,571
Acquired through business combination	**-**	144,750	**-**	24,985	**-**	169,735
Purchase during the period / year	**103,440**	179,555	**-**	-	**103,440**	179,555
Sold during the period / year	**(24,362)**	(154,122)	**(6,873)**	-	**(31,235)**	(154,122)
Change in fair values	**1,397**	(22,958)	**-**	6	**1,397**	(22,952)
Fair value at end of the period / year	**1,200,271**	1,119,796	**18,118**	24,991	**1,218,389**	1,144,787

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

7 INSURANCE AND REINSURANCE CONTRACTS

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Insurance contract assets	**30,266**	110,217
Insurance contract liabilities	**(2,134,183)**	(2,001,697)
Reinsurance contract assets	**378,571**	378,625
Reinsurance contract liabilities	**(49,468)**	(31,340)

7.1 Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims:

All portfolios / segments under PAA	**June 30, 2026 (Unaudited)**				
	Liability for remaining coverage (LRC)		**Liability for incurred claims (LIC)**		
Insurance contracts issued	**Excluding loss component**	**Loss component**	**Estimates of the present values of future cashflows**	**Risk adjustment for non-financial risks**	**Total**
Opening insurance contract assets	(250,175)	111	133,019	6,828	(110,217)
Opening insurance contract assets - acquired	-	-	-	-	-
Opening insurance contract liabilities	677,540	32,874	877,736	31,103	1,619,253
Opening insurance contract liabilities - acquired	271,621	46,665	61,805	2,353	382,444
Net opening balance	**698,986**	**79,650**	**1,072,560**	**40,284**	**1,891,480**
Insurance revenue	**(2,565,761)**	**-**	**-**	**-**	**(2,565,761)**
Incurred claims and other directly attributable expenses	-	(70,320)	2,237,756	14,778	2,182,214
Amortization of Insurance acquisition cash flows	157,532	-	-	-	157,532
Losses on onerous contracts	-	7,218	-	-	7,218
Changes that relate to the past service - changes in fulfilment cashflows (“FCF”) relating to LIC	-	-	144,048	(21,099)	122,949
Insurance service expense	**157,532**	**(63,102)**	**2,381,804**	**(6,321)**	**2,469,913**
Insurance service result	**(2,408,229)**	**(63,102)**	**2,381,804**	**(6,321)**	**(95,848)**
Net finance expenses from insurance contracts issued	-	-	14,969	622	15,591
Total changes in the interim condensed statement of income	**(2,408,229)**	**(63,102)**	**2,396,773**	**(5,699)**	**(80,257)**
Cash flows					
Premium received	2,810,962	-	-	-	2,810,962
Claims and other incurred insurance service expenses paid	-	-	(2,359,197)	-	(2,359,197)
Insurance acquisition cash flows paid	(159,071)	-	-	-	(159,071)
Total cash flows	**2,651,891**	**-**	**(2,359,197)**	**-**	**292,694**
Net closing balance	**942,648**	**16,548**	**1,110,136**	**34,585**	**2,103,917**
Closing insurance contract assets	**(24,792)**	**553**	**(6,795)**	**768**	**(30,266)**
Closing insurance contract liabilities	**967,440**	**15,995**	**1,116,931**	**33,817**	**2,134,183**
Net closing balance	**942,648**	**16,548**	**1,110,136**	**34,585**	**2,103,917**

All portfolios / segments under PAA	December 31, 2025 (Audited)				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimates of the present values of future cashflows	Risk adjustment for non-financial risks	Total
Opening insurance contract assets	(10,404)	3,532	3,430	576	(2,866)
Opening insurance contract assets - acquired	-	-	-	-	-
Opening insurance contract liabilities	505,774	24,302	1,081,650	47,784	1,659,510
Opening insurance contract liabilities - acquired	418,566	57,528	12,658	-	488,752
Net opening balance	913,936	85,362	1,097,738	48,360	2,145,396
Insurance revenue	(4,320,236)	-	-	-	(4,320,236)
Incurred claims and other directly attributable expenses	-	(42,102)	3,820,507	26,305	3,804,710
Amortization of Insurance acquisition cash flows	345,689	-	-	-	345,689
Losses on onerous contracts	-	36,390	-	-	36,390
Changes that relate to the past service - changes in fulfilment cashflows (“FCF”) relating to LIC	-	-	(118,607)	(37,244)	(155,851)
Insurance service expense	345,689	(5,712)	3,701,900	(10,939)	4,030,938
Insurance service result	(3,974,547)	(5,712)	3,701,900	(10,939)	(289,298)
Net finance expenses from insurance contracts issued	-	-	36,458	2,863	39,321
Total changes in the interim condensed statement of income	(3,974,547)	(5,712)	3,738,358	(8,076)	(249,977)
Cash flows					
Premium received	4,134,977	-	-	-	4,134,977
Claims and other incurred insurance service expenses paid	-	-	(3,763,536)	-	(3,763,536)
Insurance acquisition cash flows paid	(375,380)	-	-	-	(375,380)
Total cash flows	3,759,597	-	(3,763,536)	-	(3,939)
Net closing balance	698,986	79,650	1,072,560	40,284	1,891,480
Closing insurance contract assets	(250,175)	111	133,019	6,828	(110,217)
Closing insurance contract liabilities	949,161	79,539	939,541	33,456	2,001,697
Net closing balance	698,986	79,650	1,072,560	40,284	1,891,480

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

7 INSURANCE AND REINSURANCE CONTRACTS (Continued)

7.1.1 Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims - Health

	June 30, 2026 (Unaudited)				
Health - PAA	**Liability for remaining coverage (LRC)**		**Liability for incurred claims (LIC)**		
Insurance contracts issued	**Excluding loss component**	**Loss component**	**Estimates of the present values of future cashflows**	**Risk adjustment for non-financial risks**	**Total**
Opening insurance contract assets	(243,250)	-	127,733	6,541	(108,976)
Opening insurance contract assets - acquired	-	-	-	-	-
Opening insurance contract liabilities	384,927	8,075	478,117	16,761	887,880
Opening insurance contract liabilities - acquired	6,227	3,225	14,586	267	24,305
Net opening balance	**147,904**	**11,300**	**620,436**	**23,569**	**803,209**
Insurance revenue	**(1,848,396)**	**-**	**-**	**-**	**(1,848,396)**
Incurred claims and other directly attributable expenses	-	(9,049)	1,689,561	9,404	1,689,916
Amortization of Insurance acquisition cash flows	81,365	-	-	-	81,365
Losses on onerous contracts	-	1,704	-	-	1,704
Changes that relate to the past service - changes in fulfilment cashflows ("FCF") relating to LIC	-	-	32,796	(13,379)	19,417
Insurance service expense	**81,365**	**(7,345)**	**1,722,357**	**(3,975)**	**1,792,402**
Insurance service result	**(1,767,031)**	**(7,345)**	**1,722,357**	**(3,975)**	**(55,994)**
Net finance expenses from insurance contracts issued	-	-	11,300	402	11,702
Total changes in the interim condensed statement of income	**(1,767,031)**	**(7,345)**	**1,733,657**	**(3,573)**	**(44,292)**
Cash flows					
Premium received	2,294,833	-	-	-	2,294,833
Claims and other incurred insurance service expenses paid	-	-	(1,699,844)	-	(1,699,844)
Insurance acquisition cash flows paid	(77,463)	-	-	-	(77,463)
Total cash flows	**2,217,370**	**-**	**(1,699,844)**	**-**	**517,526**
Net closing balance	**598,243**	**3,955**	**654,249**	**19,996**	**1,276,443**
Closing insurance contract assets	**(13,527)**	**379**	**1,469**	**50**	**(11,629)**
Closing insurance contract liabilities	**611,770**	**3,576**	**652,780**	**19,946**	**1,288,072**
Net closing balance	**598,243**	**3,955**	**654,249**	**19,996**	**1,276,443**

	December 31, 2025 (Audited)				
Health - PAA	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
Insurance contracts issued	Excluding loss component	Loss component	Estimates of the present values of future cashflows	Risk adjustment for non-financial risks	Total
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract assets - acquired	-	-	-	-	-
Opening insurance contract liabilities	324,679	3,435	580,478	31,601	940,193
Opening insurance contract liabilities - acquired	19,677	4,948	(1,786)	-	22,839
Net opening balance	344,356	8,383	578,692	31,601	963,032
Insurance revenue	(3,247,280)	-	-	-	(3,247,280)
Incurred claims and other directly attributable expenses	-	(5,554)	3,024,426	19,901	3,038,773
Amortization of Insurance acquisition cash flows	198,528	-	-	-	198,528
Losses on onerous contracts	-	8,471	-	-	8,471
Changes that relate to the past service - changes in fulfilment cashflows ("FCF") relating to LIC	-	-	(28,862)	(29,836)	(58,698)
Insurance service expense	198,528	2,917	2,995,564	(9,935)	3,187,074
Insurance service result	(3,048,752)	2,917	2,995,564	(9,935)	(60,206)
Net finance expenses from insurance contracts issued	-	-	28,044	1,903	29,947
Total changes in the interim condensed statement of income	(3,048,752)	2,917	3,023,608	(8,032)	(30,259)
Cash flows					
Premium received	3,059,602	-	-	-	3,059,602
Claims and other incurred insurance service expenses paid	-	-	(2,981,864)	-	(2,981,864)
Insurance acquisition cash flows paid	(207,302)	-	-	-	(207,302)
Total cash flows	2,852,300	-	(2,981,864)	-	(129,564)
Net closing balance	147,904	11,300	620,436	23,569	803,209
Closing insurance contract assets	(243,250)	-	127,733	6,541	(108,976)
Closing insurance contract liabilities	391,154	11,300	492,703	17,028	912,185
Net closing balance	147,904	11,300	620,436	23,569	803,209

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

7 INSURANCE AND REINSURANCE CONTRACTS (Continued)

7.1.2 Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims - Motor

	June 30, 2026 (Unaudited)				
Motor - PAA	**Liability for remaining coverage (LRC)**		**Liability for incurred claims (LIC)**		
Insurance contracts issued	**Excluding loss component**	**Loss component**	**Estimates of the present values of future cashflows**	**Risk adjustment for non-financial risks**	**Total**
Opening insurance contract assets	(6,925)	111	5,286	287	(1,241)
Opening insurance contract assets - acquired	-	-	-	-	-
Opening insurance contract liabilities	227,984	24,799	3,624	3,428	259,835
Opening insurance contract liabilities - acquired	221,519	43,210	44,815	2,013	311,557
Net opening balance	**442,578**	**68,120**	**53,725**	**5,728**	**570,151**
Insurance revenue	**(560,734)**	**-**	**-**	**-**	**(560,734)**
Incurred claims and other directly attributable expenses	-	(61,041)	448,787	3,309	391,055
Amortization of Insurance acquisition cash flows	57,814	-	-	-	57,814
Losses on onerous contracts	-	5,514	-	-	5,514
Changes that relate to the past service - changes in fulfilment cashflows (“FCF”) relating to LIC	-	-	108,356	(3,725)	104,631
Insurance service expense	**57,814**	**(55,527)**	**557,143**	**(416)**	**559,014**
Insurance service result	**(502,920)**	**(55,527)**	**557,143**	**(416)**	**(1,720)**
Net finance expenses from insurance contracts issued	-	-	915	78	993
Total changes in the interim condensed statement of income	**(502,920)**	**(55,527)**	**558,058**	**(338)**	**(727)**
Cash flows					
Premium received	395,326	-	-	-	395,326
Claims and other incurred insurance service expenses paid	-	-	(581,920)	-	(581,920)
Insurance acquisition cash flows paid	(63,399)	-	-	-	(63,399)
Total cash flows	**331,927**	**-**	**(581,920)**	**-**	**(249,993)**
Net closing balance	**271,585**	**12,593**	**29,863**	**5,390**	**319,431**
Closing insurance contract assets	**(11,265)**	**174**	**(8,264)**	**718**	**(18,637)**
Closing insurance contract liabilities	**282,850**	**12,419**	**38,127**	**4,672**	**338,068**
Net closing balance	**271,585**	**12,593**	**29,863**	**5,390**	**319,431**

	December 31, 2025 (Audited)				
Motor - PAA	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
Insurance contracts issued	Excluding loss component	Loss component	Estimates of the present values of future cashflows	Risk adjustment for non-financial risks	Total
Opening insurance contract assets	(10,404)	3,532	3,430	576	(2,866)
Opening insurance contract assets - acquired	-	-	-	-	-
Opening insurance contract liabilities	142,323	20,867	44,301	4,564	212,055
Opening insurance contract liabilities - acquired	344,540	52,400	13,582	-	410,522
Net opening balance	476,459	76,799	61,313	5,140	619,711
Insurance revenue	(744,962)	-	-	-	(744,962)
Incurred claims and other directly attributable expenses	-	(36,513)	658,256	3,211	624,954
Amortization of Insurance acquisition cash flows	108,963	-	-	-	108,963
Losses on onerous contracts	-	27,834	-	-	27,834
Changes that relate to the past service - changes in fulfilment cashflows (“FCF”) relating to LIC	-	-	16,095	(2,934)	13,161
Insurance service expense	108,963	(8,679)	674,351	277	774,912
Insurance service result	(635,999)	(8,679)	674,351	277	29,950
Net finance expenses from insurance contracts issued	-	-	1,409	311	1,720
Total changes in the interim condensed statement of income	(635,999)	(8,679)	675,760	588	31,670
Cash flows					
Premium received	728,516	-	-	-	728,516
Claims and other incurred insurance service expenses paid	-	-	(683,348)	-	(683,348)
Insurance acquisition cash flows paid	(126,398)	-	-	-	(126,398)
Total cash flows	602,118	-	(683,348)	-	(81,230)
Net closing balance	442,578	68,120	53,725	5,728	570,151
Closing insurance contract assets	(6,925)	111	5,286	287	(1,241)
Closing insurance contract liabilities	449,503	68,009	48,439	5,441	571,392
Net closing balance	442,578	68,120	53,725	5,728	570,151

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

7 INSURANCE AND REINSURANCE CONTRACTS (Continued)

7.1.3 Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims - Property and casualty

	June 30, 2026 (Unaudited)				
Property and casualty - PAA	**Liability for remaining coverage (LRC)**		**Liability for incurred claims (LIC)**		
Insurance contracts issued	**Excluding loss component**	**Loss component**	**Estimates of the present values of future cashflows**	**Risk adjustment for non-financial risks**	**Total**
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract assets - acquired	-	-	-	-	-
Opening insurance contract liabilities	64,629	-	395,995	10,914	471,538
Opening insurance contract liabilities - acquired	43,875	230	2,404	73	46,582
Net opening balance	**108,504**	**230**	**398,399**	**10,987**	**518,120**
Insurance revenue	**(156,631)**	**-**	**-**	**-**	**(156,631)**
Incurred claims and other directly attributable expenses	-	(230)	99,408	2,065	101,243
Amortization of Insurance acquisition cash flows	18,353	-	-	-	18,353
Changes that relate to the past service - changes in fulfilment cashflows (“FCF”) relating to LIC	-	-	2,896	(3,995)	(1,099)
Insurance service expense	**18,353**	**(230)**	**102,304**	**(1,930)**	**118,497**
Insurance service result	**(138,278)**	**(230)**	**102,304**	**(1,930)**	**(38,134)**
Net finance expenses from insurance contracts issued	-	-	2,754	142	2,896
Total changes in the interim condensed statement of income	**(138,278)**	**(230)**	**105,058**	**(1,788)**	**(35,238)**
Cash flows					
Premium received	120,803	-	-	-	120,803
Claims and other incurred insurance service expenses paid	-	-	(77,433)	-	(77,433)
Insurance acquisition cash flows paid	(18,209)	-	-	-	(18,209)
Total cash flows	**102,594**	**-**	**(77,433)**	**-**	**25,161**
Net closing balance	**72,820**	**-**	**426,024**	**9,199**	**508,043**
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	**72,820**	**-**	**426,024**	**9,199**	**508,043**
Net closing balance	**72,820**	**-**	**426,024**	**9,199**	**508,043**

	December 31, 2025 (Audited)				
Property and casualty - PAA	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
Insurance contracts issued	Excluding loss component	Loss component	Estimates of the present values of future cashflows	Risk adjustment for non-financial risks	Total
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract assets - acquired	-	-	-	-	-
Opening insurance contract liabilities	38,772	-	456,871	11,619	507,262
Opening insurance contract liabilities - acquired	54,349	180	862	-	55,391
Net opening balance	93,121	180	457,733	11,619	562,653
Insurance revenue	(327,994)	-	-	-	(327,994)
Incurred claims and other directly attributable expenses	-	(35)	137,825	3,193	140,983
Amortization of Insurance acquisition cash flows	38,198	-	-	-	38,198
Losses on onerous contracts	-	85	-	-	85
Changes that relate to the past service - changes in fulfilment cashflows (“FCF”) relating to LIC	-	-	(105,840)	(4,474)	(110,314)
Insurance service expense	38,198	50	31,985	(1,281)	68,952
Insurance service result	(289,796)	50	31,985	(1,281)	(259,042)
Net finance expenses from insurance contracts issued	-	-	7,005	649	7,654
Total changes in the interim condensed statement of income	(289,796)	50	38,990	(632)	(251,388)
Cash flows					
Premium received	346,859	-	-	-	346,859
Claims and other incurred insurance service expenses paid	-	-	(98,324)	-	(98,324)
Insurance acquisition cash flows paid	(41,680)	-	-	-	(41,680)
Total cash flows	305,179	-	(98,324)	-	206,855
Net closing balance	108,504	230	398,399	10,987	518,120
Closing insurance contract assets	-	-	-	-	-
Closing insurance contract liabilities	108,504	230	398,399	10,987	518,120
Net closing balance	108,504	230	398,399	10,987	518,120

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

7 INSURANCE AND REINSURANCE CONTRACTS (Continued)

7.2 Roll-forward of net asset or liability for reinsurance contracts held showing the asset for remaining coverage and the asset for incurred claims:

	June 30, 2026 (Unaudited)				
All portfolios / segments under PAA	**Asset for remaining coverage (ARC)**		**Asset for incurred claim (AIC)**		
Reinsurance contracts held	**Excluding loss component**	**Loss recovery component**	**Estimates of the present values of future cashflows**	**Risk adjustment for non-financial risks**	**Total**
Opening reinsurance contract assets	(153,584)	-	461,472	9,093	316,981
Opening reinsurance contract assets - acquired	21,677	-	39,945	22	61,644
Opening reinsurance contract liabilities	(17,870)	-	3,476	18	(14,376)
Opening reinsurance contract liabilities - acquired	(11,542)	-	(5,472)	50	(16,964)
Net opening balance	**(161,319)**	**-**	**499,421**	**9,183**	**347,285**
Allocation of reinsurance premium	(423,451)	-	-	-	(423,451)
Acquisition expenses	(116)	-	-	-	(116)
Claims recovered and other directly attributable expenses	-	-	567,842	8,755	576,597
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(176,825)	(4,895)	(181,720)
Effect of changes in the risk of reinsurers non-performance	-	-	7	-	7
Net income / (expenses) from reinsurance contracts held	**(423,567)**	**-**	**391,024**	**3,860**	**(28,683)**
Net finance income from reinsurance contracts held	-	-	2,072	116	2,188
Total changes in interim condensed statement of income	**(423,567)**	**-**	**393,096**	**3,976**	**(26,495)**
Cash flows					
Premium paid	72,849	-	-	-	72,849
Recoveries from reinsurance	-	-	(64,536)	-	(64,536)
Total cash flows	**72,849**	**-**	**(64,536)**	**-**	**8,313**
Net closing balance	**(512,037)**	**-**	**827,981**	**13,159**	**329,103**
Closing reinsurance contract asset	**(428,202)**	**-**	**793,670**	**13,103**	**378,571**
Closing reinsurance contract liabilities	**(83,835)**	**-**	**34,311**	**56**	**(49,468)**
Net closing balance	**(512,037)**	**-**	**827,981**	**13,159**	**329,103**

	December 31, 2025 (Audited)				
All portfolios / segments under PAA	Asset for remaining coverage (ARC)		Asset for incurred claim (AIC)		
Reinsurance contracts held	Excluding loss component	Loss recovery component	Estimates of the present values of future cashflows	Risk adjustment for non-financial risks	Total
Opening reinsurance contract assets	(150,512)	-	557,512	9,030	416,030
Opening reinsurance contract assets - acquired	12,523	-	19,777	-	32,300
Opening reinsurance contract liabilities	(20,396)	-	9,496	148	(10,752)
Opening reinsurance contract liabilities - acquired	(953)	-	(5,386)	-	(6,339)
Net opening balance	(159,338)	-	581,399	9,178	431,239
Allocation of reinsurance premium	(233,134)	-	-	-	(233,134)
Acquisition expenses	701	-	-	-	701
Claims recovered and other directly attributable expenses	-	-	66,722	1,610	68,332
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(72,463)	(2,115)	(74,578)
Effect of changes in the risk of reinsurers non-performance	-	-	15	-	15
Net income (expenses) from reinsurance contracts held	(232,433)	-	(5,726)	(505)	(238,664)
Net finance income from reinsurance contracts held	-	-	5,329	510	5,839
Total changes in interim condensed statement of income	(232,433)	-	(397)	5	(232,825)
Cash flows					
Premium paid	230,452	-	-	-	230,452
Recoveries from reinsurance	-	-	(81,581)	-	(81,581)
Total cash flows	230,452	-	(81,581)	-	148,871
Net closing balance	(161,319)	-	499,421	9,183	347,285
Closing reinsurance contract assets	(131,907)	-	501,417	9,115	378,625
Closing reinsurance contract liabilities	(29,412)	-	(1,996)	68	(31,340)
Net closing balance	(161,319)	-	499,421	9,183	347,285

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

7 INSURANCE AND REINSURANCE CONTRACTS (Continued)

7.2.1 Roll-forward of net asset or liability for reinsurance contracts held showing the asset for remaining coverage and the asset for incurred claims - Health:

	June 30, 2026 (Unaudited)				
Health - PAA	**Asset for remaining coverage (ARC)**		**Asset for incurred claim (AIC)**		
Reinsurance contracts held	**Excluding loss component**	**Loss recovery component**	**Estimates of the present values of future cashflows**	**Risk adjustment for non-financial risks**	**Total**
Opening reinsurance contract assets	-	-	9,308	-	9,308
Opening reinsurance contract assets - acquired	-	-	-	-	-
Opening reinsurance contract liabilities	-	-	(20)	3	(17)
Opening reinsurance contract liabilities - acquired	(11,542)	-	(5,472)	50	(16,964)
Net opening balance	**(11,542)**	**-**	**3,816**	**53**	**(7,673)**
Allocation of reinsurance premium	(306,857)	-	-	-	(306,857)
Acquisition expenses	(274)	-	-	-	(274)
Claims recovered and other directly attributable expenses	-	-	297,868	7,361	305,229
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(3,393)	(39)	(3,432)
Effect of changes in the risk of reinsurers non-performance	-	-	2	-	2
Net income / (expenses) from reinsurance contracts held	**(307,131)**	**-**	**294,477**	**7,322**	**(5,332)**
Net finance income from reinsurance contracts held	-	-	2	1	3
Total changes in interim condensed statement of income	**(307,131)**	**-**	**294,479**	**7,323**	**(5,329)**
Cash flows					
Premium paid	13,665	-	-	-	13,665
Recoveries from reinsurance	-	-	5,542	-	5,542
Total cash flows	**13,665**	**-**	**5,542**	**-**	**19,207**
Net closing balance	**(305,008)**	**-**	**303,837**	**7,376**	**6,205**
Closing reinsurance contract assets	**(295,856)**	**-**	**302,649**	**7,370**	**14,163**
Closing reinsurance contract liabilities	**(9,152)**	**-**	**1,188**	**6**	**(7,958)**
Net closing balance	**(305,008)**	**-**	**303,837**	**7,376**	**6,205**

	December 31, 2025 (Audited)				
Health - PAA	Asset for remaining coverage (ARC)		Asset for incurred claim (AIC)		
Reinsurance contracts held	Excluding loss component	Loss recovery component	Estimates of the present values of future cashflows	Risk adjustment for non-financial risks	Total
Opening reinsurance contract assets	-	-	15,629	34	15,663
Opening reinsurance contract assets - acquired	-	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-	-
Opening reinsurance contract liabilities - acquired	(953)		(5,386)		(6,339)
Net opening balance	(953)	-	10,243	34	9,324
Allocation of reinsurance premium	(317)	-	-	-	(317)
Acquisition expenses	-	-	-	-	-
Claims recovered and other directly attributable expenses	-	-	1,491	51	1,542
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(1,028)	(34)	(1,062)
Effect of changes in the risk of reinsurers non-performance	-	-	8	-	8
Net income / (expenses) from reinsurance contracts held	(317)	-	471	17	171
Net finance income from reinsurance contracts held	-	-	1	2	3
Total changes in interim condensed statement of income	(317)	-	472	19	174
Cash flows					
Premium paid	(10,272)	-	-	-	(10,272)
Recoveries from reinsurance	-	-	(6,899)	-	(6,899)
Total cash flows	(10,272)	-	(6,899)	-	(17,171)
Net closing balance	(11,542)	-	3,816	53	(7,673)
Closing reinsurance contract assets	-	-	9,308	-	9,308
Closing reinsurance contract liabilities	(11,542)	-	(5,492)	53	(16,981)
Net closing balance	(11,542)	-	3,816	53	(7,673)

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

7 INSURANCE AND REINSURANCE CONTRACTS (Continued)

7.2.2 Roll-forward of net asset or liability for reinsurance contracts held showing the asset for remaining coverage and the asset for incurred claims - Motor:

	June 30, 2026 (Unaudited)				
Motor - PAA	**Asset for remaining coverage (ARC)**		**Asset for incurred claim (AIC)**		
Reinsurance contracts held	**Excluding loss component**	**Loss recovery component**	**Estimates of the present values of future cashflows**	**Risk adjustment for non-financial risks**	**Total**
Opening reinsurance contract assets	(1,269)	-	43,982	217	42,930
Opening reinsurance contract assets - acquired	3,073	-	(1,833)	2	1,242
Opening reinsurance contract liabilities	-	-	-	-	-
Opening reinsurance contract liabilities - acquired	-	-	-	-	-
Net opening balance	**1,804**	**-**	**42,149**	**219**	**44,172**
Allocation of reinsurance premium	(4,764)	-	-	-	(4,764)
Acquisition expenses	(3)	-	-	-	(3)
Claims recovered and other directly attributable expenses	-	-	34,044	-	34,044
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(29,541)	(222)	(29,763)
Effect of changes in the risk of reinsurers non-performance	-	-	(1)	-	(1)
Net income / (expenses) from reinsurance contracts held	**(4,767)**	**-**	**4,502**	**(222)**	**(487)**
Net finance income from reinsurance contracts held	-	-	81	3	84
Total changes in interim condensed statement of income	**(4,767)**	**-**	**4,583**	**(219)**	**(403)**
Cash flows					
Premium paid	1,007	-	-	-	1,007
Recoveries from reinsurance	-	-	(191)	-	(191)
Total cash flows	**1,007**	**-**	**(191)**	**-**	**816**
Net closing balance	**(1,956)**	**-**	**46,541**	**-**	**44,585**
Closing reinsurance contract assets	**3,513**	**-**	**44,651**	**-**	**48,164**
Closing reinsurance contract liabilities	**(5,469)**	**-**	**1,890**	**-**	**(3,579)**
Net closing balance	**(1,956)**	**-**	**46,541**	**-**	**44,585**

	December 31, 2025 (Audited)				
Motor - PAA	Asset for remaining coverage (ARC)		Asset for incurred claim (AIC)		
Reinsurance contracts held	Excluding loss component	Loss recovery component	Estimates of the present values of future cashflows	Risk adjustment for non-financial risks	Total
Opening reinsurance contract assets	(679)	-	82,489	93	81,903
Opening reinsurance contract assets - acquired	4,781	-	(1,909)	-	2,872
Opening reinsurance contract liabilities	-	-	-	-	-
Opening reinsurance contract liabilities - acquired	-	-	-	-	-
Net opening balance	4,102	-	80,580	93	84,775
Allocation of reinsurance premium	(7,541)	-	-	-	(7,541)
Acquisition expenses	(5)	-	-	-	(5)
Claims recovered and other directly attributable expenses	-	-	59	2	61
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	768	119	887
Effect of changes in the risk of reinsurers non-performance	-	-	9	-	9
Net income / (expenses) from reinsurance contracts held	(7,546)	-	836	121	(6,589)
Net finance income from reinsurance contracts held	-	-	563	5	568
Total changes in interim condensed statement of income	(7,546)	-	1,399	126	(6,021)
Cash flows					
Premium paid	5,248	-	-	-	5,248
Recoveries from reinsurance	-	-	(39,830)	-	(39,830)
Total cash flows	5,248	-	(39,830)	-	(34,582)
Net closing balance	1,804	-	42,149	219	44,172
Closing reinsurance contract assets	1,804	-	42,149	219	44,172
Closing reinsurance contract liabilities	-	-	-	-	-
Net closing balance	1,804	-	42,149	219	44,172

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

7 INSURANCE AND REINSURANCE CONTRACTS (Continued)

7.2.3 Roll-forward of net asset or liability for reinsurance contracts held showing the asset for remaining coverage and the asset for incurred claims - Property and casualty:

	June 30, 2026 (Unaudited)				
Property and casualty - PAA	**Asset for remaining coverage (ARC)**		**Asset for incurred claim (AIC)**		
Reinsurance contracts held	**Excluding loss component**	**Loss recovery component**	**Estimates of the present values of future cashflows**	**Risk adjustment for non-financial risks**	**Total**
Opening reinsurance contract assets	(152,315)	-	408,182	8,876	264,743
Opening reinsurance contract assets - acquired	18,604	-	41,778	20	60,402
Opening reinsurance contract liabilities	(17,870)	-	3,496	15	(14,359)
Opening reinsurance contract liabilities - acquired	-	-	-	-	-
Net opening balance	**(151,581)**	**-**	**453,456**	**8,911**	**310,786**
Allocation of reinsurance premium	(111,830)	-	-	-	(111,830)
Acquisition expenses	161	-	-	-	161
Claims recovered and other directly attributable expenses	-	-	235,930	1,394	237,324
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(143,891)	(4,634)	(148,525)
Effect of changes in the risk of reinsurers non-performance	-	-	6	-	6
Net income / (expenses) from reinsurance contracts held	**(111,669)**	**-**	**92,045**	**(3,240)**	**(22,864)**
Net finance income from reinsurance contracts held	-	-	1,989	112	2,101
Total changes in interim condensed statement of income	**(111,669)**	**-**	**94,034**	**(3,128)**	**(20,763)**
Cash flows					
Premium paid	58,177	-	-	-	58,177
Recoveries from reinsurance	-	-	(69,887)	-	(69,887)
Total cash flows	**58,177**	**-**	**(69,887)**	**-**	**(11,710)**
Net closing balance	**(205,073)**	**-**	**477,603**	**5,783**	**278,313**
Closing reinsurance contract assets	**(135,859)**	**-**	**446,370**	**5,733**	**316,244**
Closing reinsurance contract liabilities	**(69,214)**	**-**	**31,233**	**50**	**(37,931)**
Net closing balance	**(205,073)**	**-**	**477,603**	**5,783**	**278,313**

	December 31, 2025 (Audited)				
Property and casualty - PAA	Asset for remaining coverage (ARC)		Asset for incurred claim (AIC)		
Reinsurance contracts held	Excluding loss component	Loss recovery component	Estimates of the present values of future cashflows	Risk adjustment for non-financial risks	Total
Opening reinsurance contract assets	(149,833)	-	459,394	8,903	318,464
Opening reinsurance contract assets - acquired	7,742	-	21,686	-	29,428
Opening reinsurance contract liabilities	(20,396)	-	9,496	148	(10,752)
Opening reinsurance contract liabilities - acquired	-	-	-	-	-
Net opening balance	(162,487)	-	490,576	9,051	337,140
Allocation of reinsurance premium	(225,276)	-	-	-	(225,276)
Acquisition expenses	706	-	-	-	706
Claims recovered and other directly attributable expenses	-	-	65,172	1,557	66,729
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(72,203)	(2,200)	(74,403)
Effect of changes in the risk of reinsurers non-performance	-	-	(2)	-	(2)
Net income / (expenses) from reinsurance contracts held	(224,570)	-	(7,033)	(643)	(232,246)
Net finance income from reinsurance contracts held	-	-	4,765	503	5,268
Total changes in interim condensed statement of income	(224,570)	-	(2,268)	(140)	(226,978)
Cash flows					
Premium paid	235,476	-	-	-	235,476
Recoveries from reinsurance	-	-	(34,852)	-	(34,852)
Total cash flows	235,476	-	(34,852)	-	200,624
Net closing balance	(151,581)	-	453,456	8,911	310,786
Closing reinsurance contract assets	(133,711)	-	449,960	8,896	325,145
Closing reinsurance contract liabilities	(17,870)	-	3,496	15	(14,359)
Net closing balance	(151,581)	-	453,456	8,911	310,786

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

8 PREPAYMENTS AND OTHER ASSETS

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Value added tax (VAT)	**174,033**	156,132
Deposit against letter of guarantee	**104,101**	104,652
Accrued commission income	**39,366**	39,208
Security deposits and advances	**29,778**	33,241
Advances to employees	**7,417**	8,377
Prepaid expenses	**280**	593
Other receivables	**19,640**	12,905
	374,615	355,108

Deposits against letters of guarantee comprise amounts placed with a local bank against issuance of payment guarantees in favor of the Company's customers (also see note 20). Such deposits against letters of guarantee cannot be withdrawn before the expiration of guarantee (these are restricted in nature).

Other receivables include receivable against the share of employers' delinquency insurance pool product amounting to Saudi Riyals 9.1 million and hajj & umrah amounting to Saudi Riyals 0.384 million and arab war risk insurance syndicate amounting to Saudi Riyals 5.8 million.

9 INVESTMENT IN ASSOCIATES

Investment in associates comprises of :

- an equity investment in Al-Waseel for Electronic Transportation amounting to Saudi Riyals 12,128 thousands (a 25% equity interest) (December 31, 2025: Saudi Riyals 10,194 thousands), in an unquoted company, registered in the Kingdom of Saudi Arabia.
- an equity investment in Gulf Warranties for Insurance Services amounting to Saudi Riyals 401 thousands (a 40% equity interest) (December 31, 2025: Saudi Riyals 598 thousands), in an unquoted company, registered in the Kingdom of Saudi Arabia.

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
At the beginning of the period / year	**10,792**	9,901
Acquired through business combination	**-**	588
Dividend received	**-**	(1,250)
Share of profit from associates	**1,737**	1,553
At the end of the period / year	**12,529**	10,792

10 RIGHT-OF-USE ASSETS

Following are the details of right-of-use assets recognised and the movements during the period / year:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Cost:		
At the beginning of the period / year	**85,107**	55,919
Acquired through business combination	**-**	3,023
Lease termination	**(3,023)**	-
Additions during the period / year	**3,484**	26,165
At the end of the period / year	**85,568**	85,107
Accumulated depreciation:		
At the beginning of the period / year	**66,058**	54,342
Acquired through business combination	**-**	1,859
Lease termination	**(2,349)**	-
Charge for the period / year	**5,549**	9,857
At the end of the period / year	**69,258**	66,058
Net book value:		
At the end of the period / year	**16,310**	19,049

During the period ended June 30, 2026, lease related to Buruj's office was terminated and the relevant finanical impact has been taken into interim condensed statement of income.Further, there was a lease renewal during the period relating to point of sale.

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

11 GOODWILL

The Company held an ordinary general assembly meeting on December 22, 2008 and approved the purchase of the insurance portfolio and the related net assets and liabilities of the Saudi Arabian Operations of the Mediterranean and Gulf Insurance and Reinsurance Company (MEDGULF) B.S.C (closed) ("Portfolio") effective January 1, 2009. The acquisition resulted in a goodwill of Saudi Riyals 480 million.

On 01/05/1447H (corresponding to 23 October 2025), the Company's Extraordinary General Meeting approved the purchase of Buruj Cooperative Insurance Company by increasing of the Company's share capital from Saudi Riyals 1,050,000,000 to Saudi Riyals 1,381,578,940, representing an increase of 31.58%, through the issuance of 33,157,894 ordinary shares at an exchange ratio of 1.105263 shares in Medgulf for each share in Buruj. The Acquisition resulted in a goodwill of Saudi Riyals 243.4 million.

The recoverable amounts were assessed as at December 31, 2025 based on their value in use, determined by discounting the future cash flows expected to be generated from the continuing use of this operating division. The assessment for goodwill impairment was based on a detailed five-year business plan, utilizing cash flow projections covering a five-year period, with a terminal growth rate of 2% applied thereafter. The forecasted cash flows were discounted at a rate of 16.3%. Additionally, an assessment was conducted using the 'Share Price' and 'Market' approach based on the trading activity of the Company's stock.

The aforementioned assessment was carried out by a consultant appointed by the Company. Management's assessment was supported by an external valuation as of December 31, 2025, which indicated that no impairment was required at that date. Further, there was no impairment indicator as of June 30, 2026.

12 STATUTORY DEPOSIT

In accordance with the Law on Supervision of Cooperative Insurance Companies in the Kingdom of Saudi Arabia, the Company maintains a statutory deposit at 13.57% of the paid up capital (December 31, 2025: 13.57%). This statutory deposit cannot be withdrawn without the consent of Insurance Authority. During the period ended June 30, 2026, the statutory deposit amounted to Saudi Riyals 187,500 thousands (December 31, 2025: Saudi Riyals 187,500 thousands). The statutory deposit is placed at the commission rate of 5.4% (December 31, 2025: 5.4%) per annum.

The accrued commission on statutory deposit which is maintained in accordance with the Law on Supervision of Cooperative Insurance Companies in the Kingdom of Saudi Arabia amounts to Saudi Riyals 8.9 million (December 31, 2025: Saudi Riyals 3.5 million).

13 ZAKAT AND INCOME TAX

a) Movement in the provision for zakat and income tax during the period / year

The movement in the provision for zakat and income tax for the period / year is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
At the beginning of the period / year	**7,735**	9,810
Acquired through business combination	**-**	13,136
Charge - current period / year	**3,667**	7,735
Reversal for the current period / year	**-**	(6,619)
Payments during the period / year	**(1,167)**	(16,327)
At the end of the period / year	**10,235**	7,735

b) Status of zakat and tax assessments

The Company has filed its zakat and income tax returns for the yeras up to December 31, 2025 with the Zakat, Tax and Customs Authority (ZATCA). As of the reporting date, the final Zakat and tax assessments for the fiscal years upto 2020 have been finalised and 2021 onwards are still in-process by ZATCA.

c) Deferred tax asset

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Opening deferred tax asset	**9,581**	10,474
Origination of temporary differences	**-**	(893)
Closing deferred tax asset	**9,581**	9,581

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

14 LEASE LIABILITIES

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Liability		
At the beginning of the period / year	**20,087**	2,080
Acquired through business combination	**-**	1,209
Lease termination	**(1,240)**	-
Additions for the period / year	**3,484**	26,165
Finance cost	**464**	1,126
	22,795	30,580
Payments		
Paid during the period / year	**(6,285)**	(10,493)
At the end of the period / year	**16,510**	20,087

Undiscounted lease liability is detailed by as follows:

Less than one year	**2,095**	2,125
One to five years	**15,115**	18,722
Lease liabilities - net	**17,210**	20,847

15 SHARE OF SURPLUS FROM INSURANCE POOLS

a) Hajj and umrah

This principally 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 Company for Cooperative Insurance (Tawuniya) effective from January 1, 2020. The compulsory Umrah product is offered by the ministry and approved by IA 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 January 1, 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 June 30, 2026 as the aforementioned arrangement has been discontinued.

The Company's share of income in the Hajj and Umrah for the period ended June 30, 2026 is nil (June 30, 2025: nil).

b) Rights and entitlements of non-saudi employees in private sector entities insurance

This represents the Company's share of surplus 8.6035% (2025: 8.6035%) in the Employers' Delinquency Insurance Pool product. 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.

Subsequent to the three month period ended June 30, 2026, The Company for Cooperative Insurance has been appointed to serve as the lead insurer for this product.

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.

The Company's share of income in this pool for the period ended June 30, 2026 is Saudi Riyals 5.01 million (June 30, 2025: Saudi Riyals 1.9 million).

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

16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

16.a 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 six-month periods ended 30 June 2026 and 2025, and the related

	Transactions for the period ended		**Balance receivable / (payable) as at**	
	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Shareholders with significant influence				
Gross premiums (forming part of insurance revenue)	**91**	108	**-**	-
Net claims paid (forming part of insurance service expenses)	**519**	846	**-**	-
Statutory deposit (i)	**-**	-	**164,853**	160,580
Outstanding claims (forming part of insurance contract liabilities)	**2,441**	785	**-**	-
Net balance receivable / (payable)	**-**	-	**6,752**	6,635
Associates				
Claims management fee	**2**	2,173	**-**	-
Entities controlled, jointly controlled by related parties				
Gross premiums (forming part of insurance revenue)	**2,114**	6	**-**	-
Net claims paid (forming part of insurance service expenses)	**856**	-	**-**	-
Outstanding claims (forming part of insurance contract liabilities)	**880**	-	**-**	-
Other services	**-**	-	**-**	-
Net balance receivable / (payable)	**-**	-	**10,935**	11,231

i) Statutory deposit is placed with the Saudi Investment Bank, at the commission rate of 5.4% (December 31, 2025: 5.4%) per annum.

16.b Compensation of key management personnel

Compensation to top executives including the CEO and CFO is on employment terms. The following table shows the annual salaries, remuneration and allowances pertaining to the Board members and top executives for the periods ended June 30, 2026 and 2025:

	For the six-months period ended			
	June 30, 2026 (Unaudited)		June 30, 2025 (Unaudited)	
	BOD members (Non-Executive)	**Top Executives including the CEO and CFO**	BOD members (Non-Executive)	Top Executives including the CEO and CFO
Salaries and compensation	**-**	**3,712**	-	1,879
Allowances	**470**	**1,179**	338	598
Annual remuneration	**2,703**	**-**	1,718	1,367
Employee benefit obligations	**-**	**351**	-	1,785
	3,173	**5,242**	2,056	5,629

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

17 INSURANCE EXPENSES

An analysis of insurance expenses and net expenses from reinsurance contracts held for the three month and six month period ended June 30, 2026 and June 30, 2025 is given below. Additional information on the amounts recognized in statement of income is included in the insurance contract balances.

	For the three-months period ended		For the six-months period ended	
Insurance service expense	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Incurred claims and other directly attributable expenses	**(1,130,302)**	(944,188)	**(2,182,214)**	(1,819,316)
Changes that relate to the past service - changes in fulfilment cashflows ("FCF") relating to LIC	**(19,931)**	87,370	**(122,949)**	117,799
Losses (reversal of losses) on onerous contracts	**6,594**	(3,983)	**(7,218)**	(8,353)
Amortization of Insurance acquisition cash flows	**(85,635)**	(98,699)	**(157,532)**	(166,685)
Total insurance service expenses	**(1,229,274)**	(959,500)	**(2,469,913)**	(1,876,555)

Net expense from reinsurance contracts held	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Allocation of reinsurance premium	**(210,050)**	(58,286)	**(423,451)**	(112,958)
Acquisition expenses	**(65)**	(576)	**(116)**	(219)
Income on initial recognition of onerous underlying contracts	**-**	-	**-**	-
Claims recovered and other directly attributable expenses	**373,620**	(14,652)	**576,597**	6,346
Movement in loss recovery component adjustment to reinsurance ARC	**-**	-	**-**	-
Effect of changes in the risk of reinsurers non-performance	**4**	10	**7**	31
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	**(210,903)**	26,828	**(181,720)**	(13,088)
Total net expenses from reinsurance contracts held	**(47,394)**	(46,676)	**(28,683)**	(119,888)

18 NET INSURANCE FINANCE INCOME / (EXPENSES)

An analysis of the net insurance finance income (expenses) by product line for the three-month and six-month periods ended 30 June 2026 and 30 June 2025 respectively is presented below:

	For the three-months period ended June 30, 2026 (Unaudited)				For the three-months period ended June 30, 2025 (Unaudited)			
	Medical	**Motor**	**Property & casualty**	**Total**	Medical	Motor	Property & casualty	Total
Finance expenses from insurance contracts issued								
Interest accreted	**(6,647)**	**(608)**	**(1,864)**	**(9,119)**	(7,583)	(376)	(1,959)	(9,918)
Effect of changes in interest rates and other financial assumptions	**(629)**	**(9)**	**100**	**(538)**	(12,534)	(699)	(3,143)	(16,376)
Finance expenses from insurance contracts issued	**(7,276)**	**(617)**	**(1,764)**	**(9,657)**	(20,117)	(1,075)	(5,102)	(26,294)
Finance income from reinsurance contracts held								
Interest accreted	**2**	**64**	**1,522**	**1,588**	(13)	106	1,335	1,428
Effect of changes in interest rates and other financial assumptions	**-**	**(19)**	**(320)**	**(339)**	-	33	(24)	9
Finance income from reinsurance contracts held	**2**	**45**	**1,202**	**1,249**	(13)	139	1,311	1,437
Net insurance finance expenses	**(7,274)**	**(572)**	**(562)**	**(8,408)**	(20,130)	(936)	(3,791)	(24,857)

	For the six-months period ended June 30, 2026 (Unaudited)				For the six-months period ended June 30, 2025 (Unaudited)			
	Medical	**Motor**	**Property & casualty**	**Total**	Medical	Motor	Property & casualty	Total
Finance expenses from insurance contracts issued								
Interest accreted	**(9,427)**	**(892)**	**(2,686)**	**(13,005)**	(10,671)	(544)	(2,969)	(14,184)
Effect of changes in interest rates and other financial assumptions	**(2,275)**	**(101)**	**(210)**	**(2,586)**	(9,747)	(547)	(2,212)	(12,506)
Finance expenses from insurance contracts issued	**(11,702)**	**(993)**	**(2,896)**	**(15,591)**	(20,418)	(1,091)	(5,181)	(26,690)
Finance income from reinsurance contracts held								
Interest accreted	**3**	**86**	**2,163**	**2,252**	1	148	2,055	2,204
Effect of changes in interest rates and other financial assumptions	**-**	**(2)**	**(62)**	**(64)**	-	183	1,464	1,647
Finance income from reinsurance contracts held	**3**	**84**	**2,101**	**2,188**	1	331	3,519	3,851
Net insurance finance expenses	**(11,699)**	**(909)**	**(795)**	**(13,403)**	(20,417)	(760)	(1,662)	(22,839)

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

19 SHARE CAPITAL AND EARNING PER SHARE

a) Share capital

The authorized and paid up share capital of the Company is Saudi Riyals 1,381.58 million (December 31, 2025: Saudi Riyals 1,381.58 million) divided into 138.158 million shares of Saudi Riyals 10 each.

On 01 Jumada I 1447H (corresponding to 23 October 2025), the Company's Extraordinary General Meeting approved the increase of the Company's share capital from Saudi Riyals 1,050,000,000 to Saudi Riyals 1,381,578,940, representing an increase of 31.58%, through the issuance of 33,157,894 ordinary shares at an exchange ratio of 1.105263 shares in Medgulf for each share in Buruj to the Buruj's existing shareholders. The new shares were listed and deposited into the accounts of Buruj shareholders on 06 Jumada I 1447H (corresponding to 28 October 2025).

b) Share premium

The share premium has been reduced by an amount of Saudi Riyals 17,115 thousands, invoiced post-merger by HSBC, as a fee related to the successful issuing and listing on Tadawul of new shares to the former Buruj shareholders, separate from the retainer linked to the administrative and advisory services provided by HSBC.

During the period, the Board of Directors resolved, pursuant to its resolution dated 3 May 2026, to absorb the Company's accumulated losses against the share premium account. Accordingly, the lastly reviewed by third party auditors accumulated losses as at 31 March 2026, amounting to Saudi Riyals 77,823 thousand were set off against the share premium balance, reducing share premium from Saudi Riyals 224,974 thousand to Saudi Riyals 147,151 thousand, with the accumulated losses balance reduced to nil.

c) Basic and diluted earnings per share

Basic and diluted earnings per share for the three-month and six-month periods ended 30 June 2026 and 2025 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:

	For the three months period ended		For the six months period ended	
	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Total income / (loss) for the period attributable to the shareholders	**44,167**	(1,470)	**80,416**	18,168
Weighted average number of ordinary shares for basic and diluted income per share	**138,158**	105,000	**138,158**	105,000
Basic and diluted earnings / (loss) per share (Saudi Riyals per share)	**0.32**	(0.01)	**0.58**	0.17

20 COMMITMENTS AND CONTINGENCIES

a) Legal proceedings

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business primarily pertaining to insurance claims. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management believes that such proceedings (including litigations) will not 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 2025.

b) Contingencies and capital commitments

As at June 30, 2026, the Company's banker has issued letters of guarantee of Saudi Riyals 104,101 thousands (December 31, 2025: Saudi Riyals 104,652 thousands) to various customers as per the terms of the agreements with them. The Company had no capital commitments as at June 30, 2026 and December 31, 2025.

21 OPERATING SEGMENTS

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.

Segment results do not include allocation of other income, dividend income, other operating expenses, to operating segments as these are reported and monitored on an overall basis.

Segment assets do not include allocation of cash and cash equivalents, time deposits, finanical investments, prepayments and other assets, intangible assets, right-of-use assets, statutory deposit and property and equipment as these are reported and monitored on a total basis.

Segment liabilities do not include allocation of lease liabilities, accrued expenses and other liabilities, account and commission payable, zakat and tax and commissions payable to Insurance Authority (IA).

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:

- Medical
- Motor
- Property and casualty

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.

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

21 OPERATING SEGMENTS (continued)

a) Gross premiums written

Details relating to gross written premium are disclsoed below to comply with the requirements of the Insurance Authoruity (IA) circular 170 and are not disclosed as per the requiremetns of the IFRS 17.

	For the three months-period ended June 30, 2026 (Unaudited)				For the three months-period ended June 30, 2025 (Unaudited)			
	Medical	**Motor**	**Property & casualty**	**Total**	Medical	Motor	Property & casualty	Total
Gross premiums written								
- Large enterprise	**643,416**	**77,198**	**70,309**	**790,923**	130,901	70,265	22,296	223,462
- Medium enterprise	**63,562**	**2,969**	**10,497**	**77,028**	42,472	2,712	7,830	53,014
- Small enterprise	**188,678**	**6,390**	**7,115**	**202,183**	32,115	3,079	6,964	42,158
- Micro enterprise	**35,010**	**11,727**	**1,316**	**48,053**	9,095	3,309	684	13,088
- Individual	**1,139**	**180,087**	**1,241**	**182,467**	3,170	93,932	941	98,043
	931,805	**278,371**	**90,478**	**1,300,654**	217,753	173,297	38,715	429,765

	For the Six months-period ended June 30, 2026 (Unaudited)				For the Six months-period ended June 30, 2025 (Unaudited)			
	Medical	**Motor**	**Property & casualty**	**Total**	Medical	Motor	Property & casualty	Total
Gross premiums written								
- Large enterprise	**2,603,765**	**102,498**	**129,335**	**2,835,598**	1,773,071	89,083	147,782	2,009,936
- Medium enterprise	**212,598**	**8,579**	**20,971**	**242,148**	317,535	9,871	17,782	345,188
- Small enterprise	**334,982**	**13,220**	**17,067**	**365,269**	105,154	8,253	15,426	128,833
- Micro enterprise	**101,418**	**23,720**	**2,425**	**127,563**	71,642	7,984	2,089	81,715
- Individual	**8,701**	**330,150**	**1,435**	**340,286**	10,433	195,698	2,384	208,515
	3,261,464	**478,167**	**171,233**	**3,910,864**	2,277,835	310,889	185,463	2,774,187

b) Segmental interim condensed statement of financial position:

	As at June 30, 2026 (Unaudited)				As at December 31, 2025 (Audited)			
Operating segments	**Medical**	**Motor**	**Property & casualty**	**Total**	Medical	Motor	Property & casualty	Total
Assets								
Insurance contract assets	**11,629**	**18,637**	**-**	**30,266**	108,976	1,241	-	110,217
Reinsurance contract assets	**14,163**	**48,164**	**316,244**	**378,571**	9,308	44,172	325,145	378,625
Unallocated assets	**-**	**-**	**-**	**3,609,599**	-	-	-	3,289,953
Total assets	**25,792**	**66,801**	**316,244**	**4,018,436**	118,284	45,413	325,145	3,778,795
Liabilities								
Insurance contract liabilities	**1,288,072**	**338,068**	**508,043**	**2,134,183**	912,185	571,392	518,120	2,001,697
Reinsurance contract liabilities	**7,958**	**3,579**	**37,931**	**49,468**	16,981	-	14,359	31,340
Unallocated liabilities	**-**	**-**	**-**	**178,615**	-	-	-	152,889
Total liabilities	**1,296,030**	**341,647**	**545,974**	**2,362,266**	929,166	571,392	532,479	2,185,926

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

21 OPERATING SEGMENTS (continued)

b) Segmental interim condensed statement of income:

	For the six-months period ended June 30, 2026 (Unaudited)			
Operating segments	**Medical**	**Motor**	**Property & casualty**	**Total**
Insurance revenue	**1,848,396**	**560,734**	**156,631**	**2,565,761**
Insurance service expense	**(1,792,402)**	**(559,014)**	**(118,497)**	**(2,469,913)**
Net expense from reinsurance contract held	**(5,332)**	**(487)**	**(22,864)**	**(28,683)**
Share of surplus from insurance pools	**-**	**-**	**5,013**	**5,013**
Insurance service result	**50,662**	**1,233**	**20,283**	**72,178**
Finance expenses from insurance contracts issued	**(11,702)**	**(993)**	**(2,896)**	**(15,591)**
Finance income from reinsurance contracts held	**3**	**84**	**2,101**	**2,188**
Net insurance finance expense	**(11,699)**	**(909)**	**(795)**	**(13,403)**
Net insurance financial result	**38,963**	**324**	**19,488**	**58,775**
Commission income	**-**	**-**	**-**	**32,697**
Fair value gain on financial assets at fair value through profit or loss	**-**	**-**	**-**	**1,397**
Dividend income	**-**	**-**	**-**	**10,745**
Net investment income	**-**	**-**	**-**	**44,839**
Other expense	**-**	**-**	**-**	**(14,524)**
Share of income from associates	**-**	**-**	**-**	**1,737**
Shareholders' general and administrative expenses	**-**	**-**	**-**	**(6,744)**
Total other operating expense	**-**	**-**	**-**	**(19,531)**
Income Attributed To The Shareholders Before Zakat And Income Tax	**38,963**	**324**	**19,488**	**84,083**
Zakat and income tax expense	**-**	**-**	**-**	**(3,667)**
Income Attributed To The Shareholders After Zakat And Income Tax	**38,963**	**324**	**19,488**	**80,416**

	For the six-months period ended June 30, 2025 (Unaudited)			
Operating segments	Medical	Motor	Property & casualty	Total
Insurance revenue	1,594,439	275,533	156,812	2,026,784
Insurance service expense	(1,564,361)	(291,519)	(20,675)	(1,876,555)
Net expense from reinsurance contract held	(675)	(1,706)	(117,507)	(119,888)
Share of surplus from insurance pools	-	-	1,907	1,907
Insurance service result	29,403	(17,692)	20,537	32,248
Finance expenses from insurance contracts issued	(20,418)	(1,091)	(5,181)	(26,690)
Finance income from reinsurance contracts held	1	331	3,519	3,851
Net insurance finance (expense) / income	(20,417)	(760)	(1,662)	(22,839)
Net insurance financial result	8,986	(18,452)	18,875	9,409
Commission income	-	-	-	18,728
Investment loss on financial assets at fair value	-	-	-	(8,011)
Dividend income	-	-	-	5,084
Net investment income	-	-	-	15,801
Other income	-	-	-	2,929
Share of income from associate	-	-	-	939
Shareholders' general and administrative expenses	-	-	-	(5,949)
Total other operating expense	-	-	-	(2,081)
Income / (Loss) Attributed To The Shareholders Before Zakat And Income Tax	8,986	(18,452)	18,875	23,129
Zakat and income tax expense	-	-	-	(4,961)
Income / (Loss) Attributed To The Shareholders After Zakat And Income Tax	8,986	(18,452)	18,875	18,168

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

21 OPERATING SEGMENTS (continued)

b) Segmental interim condensed statement of income:

Operating segments	For the three-months period ended June 30, 2026 (Unaudited) Medical	Motor	Property & casualty	Total
Insurance revenue	**961,087**	**272,643**	**80,783**	**1,314,513**
Insurance service expense	**(933,230)**	**(277,333)**	**(18,711)**	**(1,229,274)**
Net (expense) / income from reinsurance contract held	**2,385**	**312**	**(50,091)**	**(47,394)**
Share of surplus from insurance pools	**-**	**-**	**5,013**	**5,013**
Insurance service result	**30,242**	**(4,378)**	**16,994**	**42,858**
Finance expenses from insurance contracts issued	**(7,276)**	**(617)**	**(1,764)**	**(9,657)**
Finance income from reinsurance contracts held	**2**	**45**	**1,202**	**1,249**
Net insurance finance expense)	**(7,274)**	**(572)**	**(562)**	**(8,408)**
Net insurance financial result	**22,968**	**(4,950)**	**16,432**	**34,450**
Commission income	**-**	**-**	**-**	**16,664**
Fair value loss on financial assets at fair value through profit or loss	**-**	**-**	**-**	**(2,368)**
Dividend income	**-**	**-**	**-**	**7,667**
Net investment income	**-**	**-**	**-**	**21,963**
Other expense	**-**	**-**	**-**	**(8,387)**
Share of income from associates	**-**	**-**	**-**	**234**
Shareholders' general and administrative expenses	**-**	**-**	**-**	**(1,593)**
Total other operating expense	**-**	**-**	**-**	**(9,746)**
Income / (Loss) Attributed To The Shareholders Before Zakat And Income Tax	**22,968**	**(4,950)**	**16,432**	**46,667**
Zakat and income tax expense	**-**	**-**	**-**	**(2,500)**
Income / (Loss) Attributed To The Shareholders After Zakat And Income Tax	**22,968**	**(4,950)**	**16,432**	**44,167**

Operating segments	For the three-months period ended June 30, 2025 (Unaudited) Medical	Motor	Property & casualty	Total
Insurance revenue	801,738	147,402	77,301	1,026,441
Insurance service expense	(770,390)	(161,483)	(27,627)	(959,500)
Net expense from reinsurance contract held	(1,021)	(1,147)	(44,508)	(46,676)
Share of surplus from insurance pools	-	-	1,907	1,907
Insurance service result	30,327	(15,228)	7,073	22,172
Finance expenses from insurance contracts issued	(20,118)	(1,075)	(5,101)	(26,294)
Finance income from reinsurance contracts held	(13)	140	1,310	1,437
Net insurance finance expense	(20,131)	(935)	(3,791)	(24,857)
Net insurance financial result	10,196	(16,163)	3,282	(2,685)
Commission income	-	-	-	9,458
Investment loss on financial assets at fair value	-	-	-	(9,471)
Dividend income	-	-	-	3,407
Net investment income	-	-	-	3,394
Other income	-	-	-	4,258
Share of income from associate	-	-	-	939
Shareholders' general and administrative expenses	-	-	-	(3,415)
Total other operating income	-	-	-	1,782
Income / (Loss) Attributed To The Shareholders Before Zakat And Income Tax	10,196	(16,163)	3,282	2,491
Zakat and income tax expense	-	-	-	(3,961)
Income / (Loss) Attributed To The Shareholders After Zakat And Income Tax	10,196	(16,163)	3,282	(1,470)

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

22 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

June 30, 2026 (Unaudited)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value				
Investments at FVOCI	**-**	**-**	**163,635**	**163,635**
Investments at FVTPL	**732,182**	**429,413**	**56,794**	**1,218,389**
Total investments	**732,182**	**429,413**	**220,429**	**1,382,024**

December 31, 2025 (Audited)	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments at FVOCI	-	-	163,635	163,635
Investments at FVTPL	496,919	591,074	56,794	1,144,787
Total investments	496,919	591,074	220,429	1,308,422

Financial assets at FVOCI at June 30, 2026 include 1,379,310 shares (December 31, 2025: 1,379,310 shares) in Najm for Insurance Services ("Najm"). The investment is carried at fair value of Saudi Riyals 145,518 thousands as at June 30, 2026 (December 31, 2025: Saudi Riyals 145,518 thousands) computed using "Discounted Cash Flow Method" based on valuation by consultant.

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%, respectively, (December 31, 2025: 60% and 40%, respectively) are then applied to the fair values determined under both methods, to arrive at the equity valuation of Najm and the Company then accounts for its share in equity of Najm i.e. 6.90% (December 31, 2025 : 6.90%).

Fair value of other unquoted equities at FVOCI classified in Level 3 are determined based on the blended valuation technique (i.e., DCF and P/E multiple with equal weightage).

There were no transfers in between levels during the period ended June 30, 2026.

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

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at the beginning of the period / year	**220,429**	136,067
Purchases / Acquired through business combination	**-**	63,667
Unrealised gain on fair value of FVOCI & FVTPL	**-**	20,695
Balance at the end of the period / year	**220,429**	220,429

Unrealised gain on fair value of investment measured at FVTPL is charged to statement of income and FVOCI is routed through other comprehensive income.

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

22 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
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	
Unquoted equity investment in Najm	**145,518**	145,518	**Revenue growth rate**	Revenue growth rate	**8.80%**	8.80%	Reducing the revenue growth rate by 100 basis points, would decrease the fair value by Saudi Riyals 1.1 million. (2025: Saudi Riyals 1.1 million)
			WACC	WACC	**17%**	17%	Increasing the WACC by 100 basis points, would decrease the fair value by Saudi Riyals 1.9 million. (2025: Saudi Riyals 1.9 million)
			Terminal value growth rate	Terminal value growth rate	**1.50%**	1.50%	Reducing the terminal value growth rate to 0.5%, would decrease the fair value by Saudi Riyals 1 million (2025: Saudi Riyals 1 million)
			EV/EBITDA multiple	EV/EBITDA multiple	**7**	7	Reducing the EV/EBITDA multiple to 6 would decrease the fair value by Saudi Riyals 3 million (2025: Saudi Riyals 3 million).

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

(d) Valuation process

The finance department of the Company performs the valuations of level 3 fair values required for financial reporting purposes. This team reports directly to the Chief Financial Officer (CFO), Investment Committee (“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.

23 CAPITAL 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.

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.

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

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

• Minimum capital requirement
• Premium solvency margin
• Claims solvency margin

As of June 30, 2026, the Company is in compliance with the minimum solvency margin as required by the Implementing Regulations of the Cooperative Insurance Companies Control Law.

24 RECLASSIFICATIONS

Deposits held against letters of guarantee, previously classified within cash and cash equivalents, have been reclassified to prepayments and other assets to conform with the current period's presentation. This reclassification had no effect on previously reported net profit. The comparative amounts in the statement of cash flows have been reclassified accordingly.

25 SUBSEQUENT EVENT

Except for the events disclosed elsewhere in the interim condensed financial information, no other events have arisen subsequent to 30 June 2026, and before the date of approval of this interim condensed financial information, that could have a significant effect on the interim condensed financial information.

26 OTHER INFORMATION

During the period, the Extraordinary General Assembly approved, pursuant to its resolution dated 29 June 2026, the absorption of the Company's accumulated losses against the share premium account. Accordingly, the accumulated losses balance as at 31 March 2026, being the latest period reviewed by the external auditor, amounting to Saudi Riyals 77,823 thousand, was set off against the share premium balance, reducing the share premium balance from Saudi Riyals 224,974 thousand to Saudi Riyals 147,151 thousand, with the accumulated losses balance reduced to nil.

This adjustment did not affect total equity, total assets, or total liabilities of the Company, as it represents a reclassification within equity components. The Company engaged PKF Al-Bassam Chartered Accountants to perform agreed-upon procedures in accordance with International Standard on Related Services (ISRS) 4400 (Revised) on the proposed absorption of accumulated losses against share premium. The agreed-upon procedures report, dated 9 July 2026, noted no exceptions in respect of the procedures performed.

During the six-month period ended 30 June 2026, geopolitical developments in the Middle East resulted in heightened security concerns and increased economic uncertainty across the region.

Management has assessed the impact of these developments on the credit risk profile of the Company's financial instruments. In addition, management has considered its best estimates in determining case reserves included within insurance contract liabilities for incurred claims potentially arising from geopolitical disruptions.

Management continues to closely monitor the evolving geopolitical environment and its potential effects on the Company's operations, financial position, and credit risk exposure. As of the date of approval of this interim condensed financial information, the Company has not experienced any significant operational disruptions, and no related claims have been reported. Any revisions to assumptions or enhancements to the assessment will be reflected in future reporting periods as additional information becomes available.

27 APPROVAL OF THE FINANCIAL STATEMENTS

The interim condensed financial information has been approved by the Board of Directors of the Company, on 20 Safar 1448H, corresponding to August 03, 2026.

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

A. SUPPLEMENTARY INFORMATION
Interim condensed statement of financial position

	Insurance operations	**Shareholders' operations**	**Total**	Insurance operations	Shareholders' operations	Total
	June 30, 2026 (Unaudited)			December 31, 2025 (Audited)		
ASSETS						
Cash and cash equivalents	**422,698**	**281,150**	**703,848**	156,851	219,077	375,928
Short term deposits	**-**	**132,556**	**132,556**	85,500	154,876	240,376
Financial investments	**18,118**	**1,363,906**	**1,382,024**	24,991	1,283,431	1,308,422
Insurance contract assets	**30,266**	**-**	**30,266**	110,217	-	110,217
Reinsurance contract assets	**378,571**	**-**	**378,571**	378,625	-	378,625
Prepayment and other assets, net	**331,936**	**42,679**	**374,615**	314,656	40,452	355,108
Investment in an associate	**-**	**12,529**	**12,529**	-	10,792	10,792
Property and equipment, net	**33,397**	**-**	**33,397**	28,332	-	28,332
Intangible assets, net	**24,889**	**-**	**24,889**	27,889	-	27,889
Right of use assets, net	**16,310**	**-**	**16,310**	19,049	-	19,049
Goodwill	**-**	**723,465**	**723,465**	-	723,465	723,465
Deferred tax asset	**-**	**9,581**	**9,581**	-	9,581	9,581
Statutory deposit	**-**	**187,500**	**187,500**	-	187,500	187,500
Accrued commission on statutory deposit	**-**	**8,885**	**8,885**	-	3,511	3,511
Due from / to shareholders` / insurance operation	**1,061,804**	**(1,061,804)**	**-**	1,004,450	(1,004,450)	-
TOTAL ASSETS	**2,317,989**	**1,700,447**	**4,018,436**	2,150,560	1,628,235	3,778,795
LIABILITIES						
Accrued expenses and other liabilities	**95,472**	**2,592**	**98,064**	75,477	1,555	77,032
Insurance contract liabilities	**2,134,183**	**-**	**2,134,183**	2,001,697	-	2,001,697
Reinsurance contract liabilities	**49,468**	**-**	**49,468**	31,340	-	31,340
Zakat and income tax	**-**	**10,235**	**10,235**	-	7,735	7,735
Lease liability	**16,510**	**-**	**16,510**	20,087	-	20,087
End of service indemnities	**44,921**	**-**	**44,921**	44,524	-	44,524
Accrued commission on statutory deposit	**-**	**8,885**	**8,885**	-	3,511	3,511
TOTAL LIABILITIES	**2,340,554**	**21,712**	**2,362,266**	2,173,125	12,801	2,185,926
EQUITY						
Share capital	**-**	**1,381,579**	**1,381,579**	-	1,381,579	1,381,579
Share premium	**-**	**147,151**	**147,151**	-	242,089	242,089
Statutory reserve	**-**	**26,135**	**26,135**	-	26,135	26,135
Accumulated losses / Retained earnings	**-**	**44,167**	**44,167**	-	(114,072)	(114,072)
Re-measurement of defined benefit liability – employees benefits	**(22,565)**	**-**	**(22,565)**	(22,565)	-	(22,565)
Fair values reserve on investments	**-**	**79,703**	**79,703**	-	79,703	79,703
TOTAL EQUITY	**(22,565)**	**1,678,735**	**1,656,170**	(22,565)	1,615,434	1,592,869
TOTAL LIABILITIES AND EQUITY	**2,317,989**	**1,700,447**	**4,018,436**	2,150,560	1,628,235	3,778,795

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

A. SUPPLEMENTARY INFORMATION (Continued)
Interim condensed statement of income

	Insurance Operations	**Shareholders' Operations**	**Total**	Insurance Operations	Shareholders' Operations	Total
	For the six-months period ended June 30, 2026 (Unaudited)			For the six-months period ended June 30, 2025 (Unaudited)		
Insurance revenue	**2,565,761**	**-**	**2,565,761**	2,026,784	-	2,026,784
Insurance service expense	**(2,469,913)**	**-**	**(2,469,913)**	(1,876,555)	-	(1,876,555)
Net income / (expense) from reinsurance contract held	**(28,683)**	**-**	**(28,683)**	(119,888)	-	(119,888)
Share of surplus from insurance pools	**5,013**	**-**	**5,013**	1,907	-	1,907
Insurance service result	**72,178**	**-**	**72,178**	32,248	-	32,248
Finance expenses from insurance contracts issued	**(15,591)**	**-**	**(15,591)**	(26,690)	-	(26,690)
Finance income from reinsurance contracts held	**2,188**	**-**	**2,188**	3,851	-	3,851
Net insurance finance (expense) / income	**(13,403)**	**-**	**(13,403)**	(22,839)	-	(22,839)
Net insurance financial result	**58,775**	**-**	**58,775**	9,409	-	9,409
Commission income	**-**	**32,697**	**32,697**	-	18,728	18,728
Fair value gain / (loss) on financial assets at fair value through profit or loss	**-**	**1,397**	**1,397**	-	(8,011)	(8,011)
Dividend income	**1,000**	**9,745**	**10,745**	-	5,084	5,084
Net Investment income	**1,000**	**43,839**	**44,839**	-	15,801	15,801
Other (expense) / income	**(14,524)**	**-**	**(14,524)**	(3,664)	6,593	2,929
Share of income from associates	**-**	**1,737**	**1,737**	-	939	939
Shareholders' general and administrative expenses	**-**	**(6,744)**	**(6,744)**	-	(5,949)	(5,949)
Total other operating income	**(14,524)**	**(5,007)**	**(19,531)**	(3,664)	1,583	(2,081)
Net income / (loss) for the period before zakat and income tax	**45,251**	**38,832**	**84,083**	5,745	17,384	23,129
Zakat and income tax expense	**-**	**(3,667)**	**(3,667)**	-	(4,961)	(4,961)
Income for the period	**45,251**	**35,165**	**80,416**	5,745	12,423	18,168

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Insurance Operations	**Shareholders' Operations**	**Total**	Insurance Operations	Shareholders' Operations	Total
	For the six-months period ended June 30, 2026 (Unaudited)			For the six-months period ended June 30, 2025 (Unaudited)		
Net profit for the period	**45,251**	**35,165**	**80,416**	5,745	12,423	18,168
Other comprehensive (loss) / income						
Item that will not be reclassified to statement of income in subsequent year						
-Re-measurement of employees end of service indemnities	**-**	**-**	**-**	-	-	-
-Net changes in fair value of investments measured at FVOCI – equity instruments	**-**	**-**	**-**	-	2,509	2,509
Items that are or may be reclassified to statement of income in subsequent years						
Share of other comprehensive loss of investment in equity accounted investments	**-**	**-**	**-**	-	-	-
Total comprehensive income / (loss)	**-**	**-**	**-**	-	2,509	2,509
Reconciliation:						
Less: **Net income attributable to insurance operations and transferred to surplus distribution payable.**	**-**	**-**	**-**	-	-	-
Total comprehensive income / (loss) for the period	**45,251**	**35,165**	**80,416**	5,745	14,932	20,677

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

A. SUPPLEMENTARY INFORMATION (Continued)
Interim condensed statement of income

	Insurance Operations	**Shareholders' Operations**	**Total**	Insurance Operations	Shareholders' Operations	Total
	For the three-months period ended June 30, 2026			For the three-months period ended June 30, 2025 (Unaudited)		
Insurance revenue	**1,314,513**	**-**	**1,314,513**	1,026,441	-	1,026,441
Insurance service expense	**(1,229,274)**	**-**	**(1,229,274)**	(959,500)	-	(959,500)
Net income / (expense) from reinsurance contract held	**(47,394)**	**-**	**(47,394)**	(46,676)	-	(46,676)
Share of surplus from insurance pools	**5,013**	**-**	**5,013**	1,907	-	1,907
Insurance service result	**42,858**	**-**	**42,858**	22,172	-	22,172
Finance expenses from insurance contracts issued	**(9,657)**	**-**	**(9,657)**	(26,294)	-	(26,294)
Finance income from reinsurance contracts held	**1,249**	**-**	**1,249**	1,437	-	1,437
Net insurance finance (expense) / income	**(8,408)**	**-**	**(8,408)**	(24,857)	-	(24,857)
Net insurance financial result	**34,450**	**-**	**34,450**	(2,685)	-	(2,685)
Commission income	**-**	**16,664**	**16,664**	-	9,458	9,458
Fair value gain / (loss) on financial assets at fair value through profit or loss	**(19)**	**(2,349)**	**(2,368)**	-	(9,471)	(9,471)
Dividend income	**500**	**7,167**	**7,667**	-	3,407	3,407
Net Investment income	**481**	**21,482**	**21,963**	-	3,394	3,394
Other (expense) / income	**(8,387)**	**-**	**(8,387)**	(2,335)	6,593	4,258
Share of income from associates	**-**	**234**	**234**	-	939	939
Shareholders' general and administrative expenses	**-**	**(1,593)**	**(1,593)**	-	(3,415)	(3,415)
Total other operating income	**(8,387)**	**(1,359)**	**(9,746)**	(2,335)	4,117	1,782
Net income / (loss) for the period before zakat and income tax	**26,544**	**20,123**	**46,667**	(5,020)	7,511	2,491
Zakat and income tax expense	**-**	**(2,500)**	**(2,500)**	-	(3,961)	(3,961)
Deferred tax	**-**	**-**	**-**	-	-	-
Income for the period	**26,544**	**17,623**	**44,167**	(5,020)	3,550	(1,470)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Insurance Operations	**Shareholders' Operations**	**Total**	Insurance Operations	Shareholders' Operations	Total
	For the three-months period ended June 30, 2026			For the three-months period ended June 30, 2025 (Unaudited)		
Net profit for the period	**26,544**	**17,623**	**44,167**	(5,020)	3,550	(1,470)
Other comprehensive (loss) / income						
Item that will not be reclassified to statement of income in subsequent year						
-Re-measurement of employees end of service indemnities	**-**	**-**	**-**	**-**	**-**	-
-Net changes in fair value of investments measured at FVOCI – equity instruments	**-**	**-**	**-**	**-**	**-**	-
Items that are or may be reclassified to statement of income in subsequent years						
Share of other comprehensive loss of investment in equity accounted investments	**-**	**-**	**-**	**-**	**-**	-
Total comprehensive income / (loss)	**-**	**-**	**-**	-	-	-
Reconciliation:						
Less: Net income attributable to insurance operations and transferred to surplus distribution payable.	**-**	**-**	**-**	-	-	-
Total comprehensive income / (loss) for the period	**26,544**	**17,623**	**44,167**	(5,020)	3,550	(1,470)

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

A. SUPPLEMENTARY INFORMATION (Continued)

Interim condensed statement of cashflows

	Insurance Operations	**Shareholders' Operations**	**Total**	Insurance Operations	Shareholders' Operations	Total
	For the six-months period ended June 30, 2026 (Unaudited)			For the six-months period ended June 30, 2025 (Unaudited)		
Net profit for the period before zakat and income tax	**-**	**84,083**	**84,083**	-	23,129	23,129
Adjustments for non-cash items:						
Depreciation and amortization	**5,104**	**-**	**5,104**	8,784	-	8,784
Depreciation of right-of-use assets	**5,549**	**-**	**5,549**	4,830	-	4,830
Finance cost on lease liabilities	**464**	**-**	**464**	610	-	610
Share of income from associates	**-**	**(1,737)**	**(1,737)**	-	(939)	(939)
Gain on lease termination	**(566)**	**-**	**(566)**	-	-	-
Provision for employee benefit obligations	**3,199**	**-**	**3,199**	1,452	-	1,452
Finance income / (expense) form insurance and reinsurance contracts	**13,403**	**-**	**13,403**	22,839	-	22,839
Unrealised gain / (loss) on financial asset through profit or loss	**-**	**(1,397)**	**(1,397)**	-	8,011	8,011
	27,153	**80,949**	**108,102**	38,515	30,201	68,716
Changes in operating assets and liabilities:						
Insurance contract assets	**64,360**	**-**	**64,360**	(23,824)	-	(23,824)
Reinsurance contract assets	**2,242**	**-**	**2,242**	74,155	-	74,155
Prepayment and other assets, net	**(17,280)**	**(2,227)**	**(19,507)**	12,169	(5,130)	7,039
Insurance contract liabilities	**132,486**	**-**	**132,486**	178,615	-	178,615
Reinsurance contract liabilities	**18,128**	**-**	**18,128**	15,159	-	15,159
Accrued expenses and other liabilities	**19,995**	**1,037**	**21,032**	(53,637)	(4,913)	(58,550)
Due from / to shareholders` / insurance operation	**(57,354)**	**57,354**	**-**	(28,461)	28,461	-
	189,730	**137,113**	**326,843**	212,691	48,619	261,310
Zakat and income tax paid	**-**	**(1,167)**	**(1,167)**	-	(3,962)	(3,962)
Employee benefit obligations paid	**(2,802)**	**-**	**(2,802)**	(2,681)	-	(2,681)
Net cash (used in) / generated from operating activities	**186,928**	**135,946**	**322,874**	210,010	44,657	254,667
CASH FLOWS FROM INVESTING ACTIVITIES						
Dividend from associate	**-**	**-**	**-**	-	375	375
Additions to investments carried at fair value through profit or loss	**-**	**(103,440)**	**(103,440)**	-	(164,154)	(164,154)
Additions to investments carried at fair value through other comprehensive income	**-**	**-**	**-**	-	-	-
Proceeds from disposal of investments carried at fair value through profit or loss	**6,873**	**24,362**	**31,235**	-	103,851	103,851
Additions in property, equipment and intangible, net	**(7,169)**	**-**	**(7,169)**	(17,148)	-	(17,148)
Proceeds from short term deposits, net	**85,500**	**22,320**	**107,820**	-	29,445	29,445
Net cash generated from / (used in) investing activities	**85,204**	**(56,758)**	**28,446**	(17,148)	(30,483)	(47,631)
CASH FLOWS FROM FINANCING ACTIVITIES						
Payment of lease liability	**(6,285)**	**-**	**(6,285)**	(5,626)	-	(5,626)
Transaction cost related to merger	**-**	**(17,115)**	**(17,115)**	-	-	-
Net cash used in financing activities	**(6,285)**	**(17,115)**	**(23,400)**	(5,626)	-	(5,626)
Net change in cash and cash equivalents	**265,847**	**62,073**	**327,920**	187,236	14,174	201,410
Cash and cash equivalents, beginning of the period	**156,851**	**219,077**	**375,928**	245,598	240,469	486,067
Cash and cash equivalents, end of the period	**422,698**	**281,150**	**703,848**	432,834	254,643	687,477