

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

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

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

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

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

INTRODUCTION

We have reviewed the accompanying interim condensed statement of financial position of **Allied Cooperative Insurance Group (the "Company")** as at 30 June 2025, and the related interim condensed statements of income, comprehensive income for the three and six month periods then ended and changes in equity and cash flows for the six month periods then ended and a summary of material accounting policies and other explanatory notes ("interim condensed financial statements"). Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

SCOPE OF REVIEW

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

CONCLUSION

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

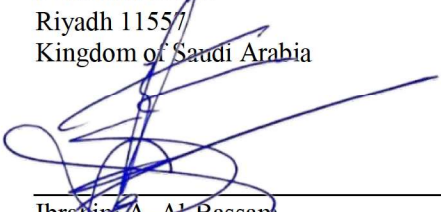
We draw attention to Note 2 (c) to the interim condensed financial statements of the Company. As of 30 June 2025, the Company did not meet the prudential solvency margin requirement and the Company's accumulated losses stands at SAR 77.26 million (31 December 2024: SAR 92.37 million), representing 26.55% of the share capital (31 December 2024: 31.75%). These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the accompanying interim condensed financial statements are prepared using the going-concern assumption based on management's assessment of the Company's abilities to continue as a going concern as detailed in the above referred note. Our opinion is not modified with respect to this matter.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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


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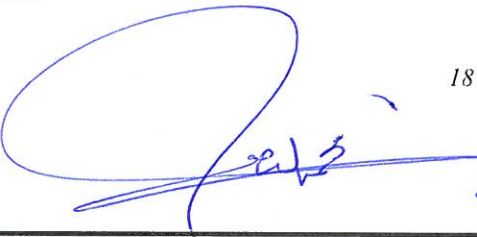



Abdullah S. Al Msned
Certified Public Accountant
License No. 456

Dated: 10 August 2025
Corresponding to: 16 Safar 1447 H



ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

		SAR '000	
	Notes	30 June 2025 (Unaudited)	31 December 2024 (Audited)
<u>ASSETS</u>			
Cash and cash equivalents	6	400,083	654,668
Investments	7	368,346	90,291
Reinsurance contract assets	4	67,867	68,420
Prepayments and other receivables		18,176	18,378
Right-of-use asset, net		5,901	7,543
Statutory deposit	8	43,650	43,650
Accrued income on statutory deposit		2,544	1,253
Property and equipment, net		5,591	3,544
Intangible assets, net		6,631	6,782
TOTAL ASSETS		918,789	894,529
<u>LIABILITIES</u>			
Accruals and other payables		26,587	21,039
Insurance contract liabilities	4	590,060	586,468
Lease liabilities		5,051	6,750
Provision for zakat	9	5,984	8,479
Employees' terminal benefits		17,788	17,389
Accrued income on statutory deposit payable to Insurance Authority		2,544	1,253
TOTAL LIABILITIES		648,014	641,378
<u>EQUITY</u>			
Share capital	10	291,000	291,000
Accumulated losses		(77,264)	(92,379)
Fair values reserve on investments		61,743	59,234
Re-measurement reserve of employees' terminal benefits		(4,704)	(4,704)
TOTAL EQUITY		270,775	253,151
TOTAL LIABILITIES AND EQUITY		918,789	894,529
Contingencies and Commitments	18	-	-
  			
Managing Director		Chief Executive Officer	
		Chief Financial Officer	

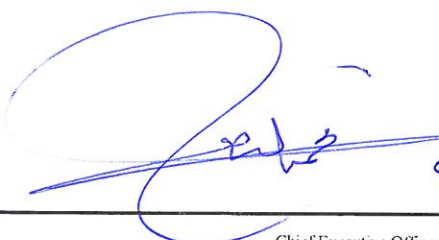
The accompanying notes 1 to 21 form an integral part of these interim condensed financial statements.

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

	Notes	SAR '000			
		For the three month period ended		For the six month period ended	
		30 June 2025 (Unaudited)	30 June 2024 (Unaudited)	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Insurance revenue	4	222,439	215,718	410,227	447,137
Insurance service expenses	4 & 15	(216,597)	(212,722)	(378,772)	(415,285)
Insurance service result before reinsurance contracts held		5,842	2,996	31,455	31,852
Amounts recoverable from reinsurance	4	23,599	22,018	35,457	40,243
Allocation of reinsurance premiums	4	(21,195)	(21,376)	(40,912)	(46,207)
Net expenses from reinsurance contracts held		2,404	642	(5,455)	(5,964)
Share of Surplus from insurance pools		1,795	876	2,561	1,523
Insurance service result		10,041	4,514	28,561	27,411
Interest revenue from financial assets measured at amortised cost		1,315	10,426	4,859	21,170
Other investment income		4,081	-	4,646	-
Fair value loss on investments		(5,122)	-	(4,166)	-
ECL reversed / (charge) on financial assets		309	-	309	(219)
Net investment income		583	10,426	5,648	20,951
Net finance (expense) / income from insurance contracts issued	4	(549)	(744)	(1,665)	1,485
Net finance (expense) / income from reinsurance contracts held	4	172	(12)	131	20
Net insurance finance (expense) / income		(377)	(756)	(1,534)	1,505
Net insurance and investment result		10,247	14,184	32,675	49,867
Other income		-	-	-	-
Other operating expenses	14	(8,226)	(6,294)	(15,812)	(15,380)
Net profit for the period, before zakat & income tax, attributable to the shareholders		2,021	7,890	16,863	34,487
Zakat charged during the period	9	(684)	(5,000)	(1,748)	(6,600)
Net profit for the period, after zakat & income tax, attributable to the shareholders		1,337	2,890	15,115	27,887
Weighted average number of outstanding ordinary shares (in thousands)		29,100	29,100	29,100	29,100
Basic and diluted earning per share for the period (SAR per share)		0.05	0.10	0.52	0.96



Managing Director



Chief Executive Officer




Chief Financial Officer

The accompanying notes 1 to 21 form an integral part of these interim condensed financial statements.

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

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

	SAR '000			
	For the three-month period ended		For the six-month period ended	
	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Net profit for the period, after zakat & income tax, attributable to the shareholders	1,337	2,890	15,115	27,887
<i>Items that will not be reclassified to statement of income in subsequent periods</i>				
Investments at fair value through other comprehensive income				
- Net change in fair value of FVOCI Investments	-	-	2,509	-
- Actuarial losses on employees' terminal benefits	-	-	-	-
Total other comprehensive income for the period	-	-	2,509	-
Total comprehensive income for the period	1,337	2,890	17,624	27,887



Managing Director




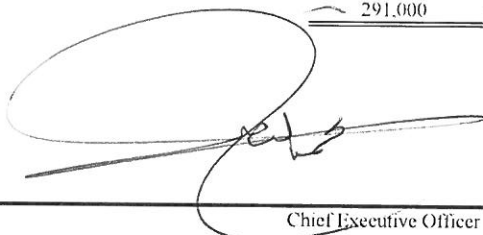

Chief Executive Officer



Chief Financial Officer

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

	SAR'000				
	Share capital	Accumulated losses	Fair value reserve for investments	Re-measurement reserve of employees' terminal benefits	Total
30 June 2025 (Unaudited)					
Balance as at 01 January 2025 (Audited)	291,000	(92,379)	59,234	(4,704)	253,151
Net profit for the period, after zakat & income tax, attributable to the shareholders	-	15,115	-	-	15,115
Net change in fair value of FVOCI Investments	-	-	2,509	-	2,509
Total comprehensive income for the period	-	15,115	2,509	-	17,624
Balance as at 30 June 2025 (Unaudited)	291,000	(77,264)	61,743	(4,704)	270,775
30 June 2024 (Unaudited)					
Balance as at 01 January 2024 (Audited)	291,000	(73,997)	41,543	(4,202)	254,344
Net profit for the period, after zakat & income tax, attributable to the shareholders	-	27,887	-	-	27,887
Total comprehensive income attributable to the shareholders	-	27,887	-	-	27,887
Balance as at 30 June 2024 (Unaudited)	291,000	(46,110)	41,543	(4,202)	282,231
  					
	Managing Director		Chief Executive Officer		Chief Financial Officer

The accompanying notes 1 to 21 form an integral part of these interim condensed financial statements.

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

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

	SAR '000'	
	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income for the period before zakat & income tax	16,863	34,487
Adjustments for non-cash items:		
Depreciation of property and equipment	1,149	934
Adjustment of property and equipment	(2,100)	-
Depreciation of right of use assets	1,642	926
Finance cost of lease liability	103	82
Amortisation of intangible assets	905	909
Interest revenue from financial assets measured at amortised costs.	(4,859)	(21,170)
Loss/ (gain) on disposal of investments	700	(2)
Other investment income	(4,646)	-
Employees' terminal benefits	1,200	1,456
Net ECL charge on financial assets	-	219
	10,957	17,841
Changes in operating assets and liabilities:		
Insurance contract liabilities	3,592	11,543
Reinsurance contract assets	553	(17,088)
Accruals and other payables	5,548	(7,048)
Prepayments and other receivables	202	(11,059)
	20,852	(5,811)
Employees' terminal benefits paid	(801)	(1,462)
Zakat and income tax paid	(4,243)	-
Net cash generated from / (used in) operating activities	15,808	(7,273)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(1,096)	(934)
Purchase of Intangible assets	(754)	(1,262)
Placement of term deposits	-	(41,759)
Purchase of investments	(613,599)	(13,732)
Proceed from sale of Investments	337,353	154
Interest revenue from financial assets measured at amortised costs.	4,859	21,170
investment income received	4,646	-
Net cash used in from investing activities	(268,591)	(36,363)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liability	(1,802)	(1,801)
Net cash used in financing activities	(1,802)	(1,801)
Net change in cash and cash equivalents	(254,585)	(45,437)
Cash and cash equivalents, at the beginning of the period	654,668	141,633
Cash and cash equivalents, at the end of the period	400,083	96,196

NON CASH INFORMATION

Net change in fair value of FVOCI Investments

2,509

-

Managing Director

Chief Executive Officer

Chief Financial Officer

The accompanying notes 1 to 21 form an integral part of these interim condensed financial statements.

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

1 ORGANIZATION AND PRINCIPAL ACTIVITIES

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

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

The Company has 3 registered branches as set out below:

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

The Board of Directors approved the distribution of the surplus from insurance operations in accordance with the Insurance Implementing Regulations issued by Insurance Authority (IA), whereby the shareholders of the Company are to receive 90% of the annual surplus from insurance operations and the policyholders are to receive the remaining 10%. Any deficit arising on insurance operations is transferred to the shareholders' operations in full. Post implementation of IFRS 17, the surplus payable is included in the insurance contract liabilities under LIC.

2 BASIS OF PREPARATION

(a) Statement of compliance

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

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

(b) Basis of Measurement

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

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

(c) Going concern

The Company has posted a net comprehensive income of SAR 15.115 million for the six months period ended 30 June, 2025 (net comprehensive income of SAR 27.89 million for six months period ended 30 June, 2024). As of 30 June 2025, the Company did not meet the prudential solvency margin requirement and the Company's accumulated losses stands at SAR 77.26 million (December 31, 2024: SAR 92.38 million), representing 26.55% of the share capital. (December 31, 2024: 31.75%). These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

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

2 BASIS OF PREPARATION-(CONTINUED)

(d) Critical accounting judgments, estimates and assumptions

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

(1) Unit of account

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

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

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

(2) Discount rates

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

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

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

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

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

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

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

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

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

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

Fair Value Estimation Considerations:

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

6) Going Concern

The Company's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the interim condensed financial statements continue to be prepared on the going concern basis.

7) Liability for incurred claims

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

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

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

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

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

(d) Functional currency

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

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)**(A SAUDI JOINT STOCK COMPANY)****NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)-(CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025****3 MATERIAL ACCOUNTING POLICIES**

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

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

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

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

Standards issued but not yet effective:

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28	Amendments to IFRS 10 consolidated financial statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Annual periods beginning on or after January 1, 2025 (early adoption is available)
Amendments to IFRS 10 and IAS 28	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Annual periods beginning on or after January 1, 2025 (early adoption is available)
IFRS 19 Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.	Annual reporting periods beginning on or after January 1, 2027.
IFRS 18 – Presentation and disclosure in financial statements.	IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.	

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

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

4 INSURANCE AND REINSURANCE CONTRACTS

	SAR'000				
	Medical	Motor	General Accident	Others	Total
30 June 2025					
Insurance contracts					
– Insurance contract balances					
– Insurance contract liabilities	79,985	339,538	153,197	17,340	590,060
– Reinsurance contract balances					
- Reinsurance contract assets	(29,745)	(4,252)	(8,284)	(25,586)	(67,867)
Net insurance and reinsurance contract liabilities	50,240	335,286	144,913	(8,246)	522,193
 31 December 2024					
Insurance contracts					
– Insurance contract balances					
– Insurance contract liabilities	86,696	325,676	162,436	11,660	586,468
– Reinsurance contract balances					
- Reinsurance contract assets	(33,287)	(5,379)	(5,556)	(24,198)	(68,420)
Net insurance and reinsurance contract liabilities	53,409	320,297	156,880	(12,538)	518,048

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4 INSURANCE AND REINSURANCE CONTRACTS-(CONTINUED)

4.1 Movement in insurance contract assets and liabilities

Insurance contracts

Analysis by remaining coverage and incurred claims

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	328,672	39,096	209,547	9,153	586,468	352,122	2,838	214,752	9,412	579,124
Insurance Revenue	410,227	-	-	-	410,227	883,353	-	-	-	883,353
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	340,976	5,208	346,184	-	-	725,344	7,250	732,594
Losses / (reversal of those losses) on onerous contracts	-	(23,592)	-	-	(23,592)	-	36,258	-	-	36,258
Changes that relate to past service - adjustments to the LIC	-	-	(8,644)	(6,528)	(15,172)	-	-	(35,798)	(7,536)	(43,334)
Surplus distribution to policyholders	-	-	1,723	-	1,723	-	-	-	-	-
Insurance acquisition cash flows amortization	69,629	-	-	-	69,629	153,244	-	-	-	153,244
Insurance service expenses	69,629	(23,592)	334,055	(1,320)	378,772	153,244	36,258	689,546	(286)	878,762
Insurance service result	340,598	23,592	(334,055)	1,320	31,455	730,109	(36,258)	(689,546)	286	4,591
Net finance income / (expenses) from insurance contracts	-	-	(1,587)	(78)	(1,665)	-	-	767	(27)	740
Cash flows										
Premiums received	462,287	-	-	-	462,287	859,228	-	-	-	859,228
Claims paid	-	-	(326,748)	-	(326,748)	-	-	(638,296)	-	(638,296)
Other directly attributable expenses paid	-	-	(26,798)	-	(26,798)	-	-	(55,688)	-	(55,688)
Insurance acquisition cash flows paid	(75,359)	-	-	-	(75,359)	(152,569)	-	-	-	(152,569)
Total cash flows	386,928	-	(353,546)	-	33,382	706,659	-	(693,984)	-	12,675
Closing insurance contract liabilities	375,002	15,504	191,643	7,911	590,060	328,672	39,096	209,547	9,153	586,468

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4 INSURANCE AND REINSURANCE CONTRACTS-(CONTINUED)

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

Insurance contracts

Analysis by remaining coverage and incurred claims

4.1.A Medical

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	22,513	19,078	44,367	738	86,696	28,183	2,798	52,882	753	84,616
Insurance Revenue	74,040	-	-	-	74,040	176,524	-	-	-	176,524
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	75,123	617	75,740	-	-	181,510	746	182,256
Losses on onerous contracts and reversal of those losses	-	(8,830)	-	-	(8,830)	-	16,280	-	-	16,280
Changes that relate to past service - adjustments to the LIC	-	-	(12,242)	(692)	(12,934)	-	-	(5,275)	(839)	(6,114)
Surplus distribution to policyholders	-	-	121	-	121	-	-	-	-	-
Insurance acquisition cash flows amortization	13,054	-	-	-	13,054	30,068	-	-	-	30,068
Insurance service expenses	13,054	(8,830)	63,002	(75)	67,151	30,068	16,280	176,235	(93)	222,490
Insurance service result	60,986	8,830	(63,002)	75	6,889	146,456	(16,280)	(176,235)	93	(45,966)
Net finance income / (expenses) from insurance contracts	-	-	(61)	(2)	(63)	-	-	(156)	(78)	(234)
Cash flows										
Premiums received	78,075	-	-	-	78,075	158,857	-	-	-	158,857
Claims paid	-	-	(57,187)	-	(57,187)	-	-	(172,305)	-	(172,305)
Other directly attributable expenses paid	-	-	(6,793)	-	(6,793)	-	-	(12,601)	-	(12,601)
Insurance acquisition cash flows paid	(13,980)	-	-	-	(13,980)	(18,071)	-	-	-	(18,071)
Total cash flows	64,095	-	(63,980)	-	115	140,786	-	(184,906)	-	(44,120)
Closing insurance contract liabilities	25,622	10,248	43,450	665	79,985	22,513	19,078	44,367	738	86,696

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4 INSURANCE AND REINSURANCE CONTRACTS-

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

Insurance contracts

Analysis by remaining coverage and incurred claims

4.1.B Motor

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	181,457	14,156	122,828	7,235	325,676	299,326	40	132,714	7,988	440,068
Insurance Revenue	254,898	-	-	-	254,898	611,174	-	-	-	611,174
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	217,053	4,083	221,136	-	-	469,897	5,772	475,669
Losses on onerous contracts and reversal of those losses	-	(8,900)	-	-	(8,900)	-	14,116	-	-	14,116
Changes that relate to past service - adjustments to the LIC	-	-	(5,898)	(5,443)	(11,341)	-	-	(27,528)	(6,354)	(33,882)
Surplus distribution to policyholders	-	-	20	-	20	-	-	-	-	-
Insurance acquisition cash flows amortization	43,154	-	-	-	43,154	110,947	-	-	-	110,947
Insurance service expenses	43,154	(8,900)	211,175	(1,360)	244,069	110,947	14,116	442,369	(582)	566,850
Insurance service result	211,744	8,900	(211,175)	1,360	10,829	500,227	(14,116)	(442,369)	582	44,324
Net finance income / (expenses) from insurance contracts	-	-	(1,508)	(74)	(1,582)	-	-	460	171	631
Cash flows										
Premiums received	310,853	-	-	-	310,853	479,081	-	-	-	479,081
Claims paid	-	-	(230,531)	-	(230,531)	-	-	(427,270)	-	(427,270)
Other directly attributable expenses paid	-	-	(10,994)	-	(10,994)	-	-	(24,525)	-	(24,525)
Insurance acquisition cash flows paid	(46,219)	-	-	-	(46,219)	(96,723)	-	-	-	(96,723)
Total cash flows	264,634	-	(241,525)	-	23,109	382,358	-	(451,795)	-	(69,437)
Closing insurance contract liabilities	234,347	5,256	93,986	5,949	339,538	181,457	14,156	122,828	7,235	325,676

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4 INSURANCE AND REINSURANCE CONTRACTS-(CONTINUED)

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

Insurance contracts

Analysis by remaining coverage and incurred claims

4.1.C General Accident

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	115,793	5,862	39,655	1,126	162,436	19,243	-	26,155	650	46,048
Insurance Revenue	69,910	-	-	-	69,910	67,871	-	-	-	67,871
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	43,621	500	44,121	-	-	67,953	679	68,632
Losses on onerous contracts and reversal of those losses	-	(5,862)	-	-	(5,862)	-	5,862	-	-	5,862
Changes that relate to past service - adjustments to the LIC	-	-	9,413	(380)	9,033	-	-	(2,478)	(316)	(2,794)
Surplus distribution to policyholders	-	-	65	-	65	-	-	-	-	-
Insurance acquisition cash flows amortization	12,071	-	-	-	12,071	9,927	-	-	-	9,927
Insurance service expenses	12,071	(5,862)	53,099	120	59,428	9,927	5,862	65,475	363	81,627
Insurance service result	57,839	5,862	(53,099)	(120)	10,482	57,944	(5,862)	(65,475)	(363)	(13,756)
Net finance income / (expenses) from insurance contracts	-	-	(12)	(1.00)	(13)	-	-	471	(113)	358
Cash flows										
Premiums received	60,424	-	-	-	60,424	188,914	-	-	-	188,914
Claims paid	-	-	(37,958)	-	(37,958)	-	-	(35,279)	-	(35,279)
Other directly attributable expenses paid	-	-	(7,832)	-	(7,832)	-	-	(16,225)	-	(16,225)
Insurance acquisition cash flows paid	(13,404)	-	-	-	(13,404)	(34,420)	-	-	-	(34,420)
Total cash flows	47,020	-	(45,790)	-	1,230	154,494	-	(51,504)	-	102,990
Closing insurance contract liabilities	104,974	-	46,976	1,247	153,197	115,793	5,862	39,655	1,126	162,436

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4 INSURANCE AND REINSURANCE CONTRACTS-(CONTINUED)

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

Insurance contracts

Analysis by remaining coverage and incurred claims

4.1.D Others

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims (LIC)		Total
	Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk		Excluding loss Component	Loss Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	
Insurance contracts Issued										
Opening insurance contract liabilities	8,909	-	2,697	54	11,660	5,369	-	3,002	21	8,392
Insurance Revenue	11,379	-	-	-	11,379	27,784	-	-	-	27,784
Insurance service expenses										
Incurred claims and other directly attributable expenses	-	-	5,179	8	5,187	-	-	5,985	53	6,038
Losses on onerous contracts and reversal of those losses	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	82	(12)	70	-	-	(518)	(25)	(543)
Surplus distribution to policyholders	-	-	1,517	-	1,517	-	-	-	-	-
Insurance acquisition cash flows amortization	1,350	-	-	-	1,350	2,303	-	-	-	2,303
Insurance service expenses	1,350	-	6,778	(4)	8,124	2,303	-	5,467	28	7,798
Insurance service result	10,029	-	(6,778)	4	3,255	25,481	-	(5,467)	(28)	19,986
Net finance income / (expenses) from insurance contracts	-	-	(7)	-	(7)	-	-	(8)	(5)	(13)
Cash flows										
Premiums received	12,935	-	-	-	12,935	32,376	-	-	-	32,376
Claims paid	-	-	(1,072)	-	(1,072)	-	-	(3,442)	-	(3,442)
Other directly attributable expenses paid	-	-	(1,179)	-	(1,179)	-	-	(2,338)	-	(2,338)
Insurance acquisition cash flows paid	(1,756)	-	-	-	(1,756)	(3,355)	-	-	-	(3,355)
Total cash flows	11,179	-	(2,251)	-	8,928	29,021	-	(5,780)	-	23,241
Closing insurance contract liabilities	10,059	-	7,231	50	17,340	8,909	-	2,697	54	11,660

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4 INSURANCE AND REINSURANCE CONTRACTS-(CONTINUED)

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

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total
Reinsurance contracts held										
Opening reinsurance contract assets	20,989	7,898	39,125	408	68,420	25,585	1,258	30,570	401	57,814
Allocation of reinsurance premiums	(40,912)	-	-	-	(40,912)	(94,528)	-	-	-	(94,528)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	31,150	240	31,390	-	-	78,993	331	79,324
Losses on onerous contracts and reversal of those losses	-	(2,854)	-	-	(2,854)	-	6,640	-	-	6,640
Changes that relate to past service - adjustments to the LIC	-	-	7,219	(298)	6,921	-	-	(22,500)	(324)	(22,824)
	-	(2,854)	38,369	(58)	35,457	-	6,640	56,493	7	63,140
Reinsurance results	(40,912)	(2,854)	38,369	(58)	(5,455)	(94,528)	6,640	56,493	7	(31,388)
Net finance expenses from reinsurance contracts	-	-	(133)	2	(131)	-	-	107	-	107
Cash flows										
Premiums paid	(44,823)	-	-	-	(44,823)	(94,347)	-	-	-	(94,347)
Claims received	-	-	36,858	-	36,858	-	-	48,045	-	48,045
Fixed commission income	2,932	-	-	-	2,932	4,415	-	-	-	4,415
Total cash flows	(41,891)	-	36,858	-	(5,033)	(89,932)	-	48,045	-	(41,887)
Closing reinsurance contract assets	21,968	5,044	40,503	352	67,867	20,989	7,898	39,125	408	68,420

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4 INSURANCE AND REINSURANCE CONTRACTS-(CONTINUED)

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

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

4.2.A Medical

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total
Reinsurance contracts held										
Opening reinsurance contract assets	15,142	7,898	9,960	287	33,287	19,217	1,258	14,271	373	35,119
Allocation of reinsurance premiums	(25,234)	-	-	-	(25,234)	(58,966)	-	-	-	(58,966)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	30,988	236	31,224	-	-	77,721	289	78,010
Losses on onerous contracts and reversal of those losses	-	(2,854)	-	-	(2,854)	-	6,640	-	-	6,640
Changes that relate to past service - adjustments to the LIC	-	-	938	(270)	668	-	-	(2,616)	(377)	(2,993)
	-	(2,854)	31,926	(34)	29,038	-	6,640	75,105	(88)	81,657
Reinsurance results	(25,234)	(2,854)	31,926	(34)	3,804	(58,966)	6,640	75,105	(88)	22,691
Net finance expenses from reinsurance contracts	-	-	(158)	1	(157)	-	-	84	2	86
Cash flows										
Premiums paid	(25,723)	-	-		(25,723)	(54,891)	-	-	-	(54,891)
Claims received	-	-	32,912		32,912	-	-	79,500	-	79,500
Fixed commission income	-	-	-		-	-	-	-	-	-
Total cash flows	(25,723)	-	32,912	-	7,189	(54,891)	-	79,500	-	24,609
Closing reinsurance contract assets	15,631	5,044	8,816	254	29,745	15,142	7,898	9,960	287	33,287

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4 INSURANCE AND REINSURANCE CONTRACTS-(CONTINUED)

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

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

4.2.B Motor

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total
Reinsurance contracts held										
Opening reinsurance contract assets	-	-	5,300	79	5,379	-	-	5,954	-	5,954
Allocation of reinsurance premiums	(2,633)	-	-	-	(2,633)	(5,178)	-	-	-	(5,178)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	-	-	-	-	-	-	-	-
Losses on onerous contracts and reversal of those losses	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	(488)	(24)	(512)	-	-	(1,393)	80	(1,313)
	-	-	(488)	(24)	(512)	-	-	(1,393)	80	(1,313)
Reinsurance results	(2,633)	-	(488)	(24)	(3,145)	(5,178)	-	(1,393)	80	(6,491)
Net finance expenses from reinsurance contracts	-	-	8	-	8	-	-	20	(1)	19
Cash flows										
Premiums paid	(2,633)	-	-	-	(2,633)	(5,178)	-	-	-	(5,178)
Claims received	-	-	623	-	623	-	-	(719)	-	(719)
Fixed commission income	-	-	-	-	-	-	-	-	-	-
Total cash flows	(2,633)	-	623	-	(2,010)	(5,178)	-	(719)	-	(5,897)
Closing reinsurance contract assets	-	-	4,197	55	4,252	-	-	5,300	79	5,379

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4 INSURANCE AND REINSURANCE CONTRACTS-(CONTINUED)

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

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

4.2.C General Accident

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total
Reinsurance contracts held										
Opening reinsurance contract assets	1,331	-	4,212	13	5,556	1,992	-	1,565	2	3,559
Allocation of reinsurance premiums	(3,175)	-	-	-	(3,175)	(8,446)	-	-	-	(8,446)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	12	-	12	-	-	203	9	212
Losses on onerous contracts and reversal of those losses	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	578	-	578	-	-	(3,419)	2	(3,417)
	-	-	590	-	590	-	-	(3,216)	11	(3,205)
Reinsurance results	(3,175)	-	590	-	(2,585)	(8,446)	-	(3,216)	11	(11,651)
Net finance expenses from reinsurance contracts	-	-	-	-	-	-	-	(1)	-	(1)
Cash flows										
Premiums paid	(4,025)	-	-	-	(4,025)	(8,564)	-	-	-	(8,564)
Claims received	-	-	(1,725)	-	(1,725)	-	-	(5,864)	-	(5,864)
Fixed commission income	437	-	-	-	437	779	-	-	-	779
Total cash flows	(3,588)	-	(1,725)	-	(5,313)	(7,785)	-	(5,864)	-	(13,649)
Closing reinsurance contract assets	1,744	-	6,527	13	8,284	1,331	-	4,212	13	5,556

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)-(CONTINUED)
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4 INSURANCE AND REINSURANCE CONTRACTS-(CONTINUED)

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

Reinsurance Contracts

Analysis by remaining coverage and incurred claims for reinsurance contracts

4.2.D Others

	As at 30 June 2025					As at 31 December 2024				
	SAR'000					SAR'000				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total	Excluding loss Component	Loss Recovery Component	Estimate of present value of future cash flows	Risk Adjustment for non financial risk	Total
Reinsurance contracts held										
Opening reinsurance contract assets	4,516	-	19,653	29	24,198	4,376	-	8,780	26	13,182
Allocation of reinsurance premiums	(9,870)	-	-	-	(9,870)	(21,938)	-	-	-	(21,938)
Amounts recoverable from reinsurance										
Incurred claims and other expenses	-	-	150	4	154	-	-	1,069	33	1,102
Losses on onerous contracts and reversal of those losses	-	-	-	-	-	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	6,191	(4)	6,187	-	-	(15,073)	(28)	(15,101)
	-	-	6,341	-	6,341	-	-	(14,004)	5	(13,999)
Reinsurance results	(9,870)	-	6,341	-	(3,529)	(21,938)	-	(14,004)	5	(35,937)
Net finance expenses from reinsurance contracts	-	-	17	1	18	-	-	4	(2)	2
Cash flows										
Premiums paid	(12,442)	-	-	-	(12,442)	(25,714)	-	-	-	(25,714)
Claims received	-	-	5,048	-	5,048	-	-	(24,873)	-	(24,873)
Fixed commission income	2,495	-	-	-	2,495	3,636	-	-	-	3,636
Total cash flows	(9,947)	-	5,048	-	(4,899)	(22,078)	-	(24,873)	-	(46,951)
Closing reinsurance contract assets	4,593	-	20,963	30	25,586	4,516	-	19,653	29	24,198

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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5 GROSS PREMIUM WRITTEN AND REINSURANCE PREMIUMS CEDED

Premium written during the period is as follows

	For the six month periods ended 30 June 2025-(Un-audited)				For the six month periods ended 30 June 2024-(Un-audited)			
	Medical	Motor	General Accident and Others	Total	Medical	Motor	General Accident and Others	Total
	SAR'000				SAR'000			
Gross premiums written								
Individual	2,784	295,287	58,552	356,623	2,596	222,079	101,734	326,409
Micro enterprise	31,159	10,662	1,025	42,846	38,074	6,405	779	45,258
Small	7,464	2,468	3,524	13,456	11,616	19,884	2,159	33,659
Medium	5,741	556	4,164	10,461	8,472	609	7,542	16,623
Large	26,944	4,085	10,818	41,847	18,539	1,158	7,448	27,145
TOTAL GROSS PREMIUMS WRITTEN	74,092	313,058	78,083	465,233	79,297	250,135	119,662	449,094

	For the three month period ended 30 June 2025-(Un-audited)				For the three month period ended 30 June 2024-(Un-audited)			
	Medical	Motor	General Accident and Others	Total	Medical	Motor	General Accident and Others	Total
	SAR'000				SAR'000			
Gross premiums written								
Individual	1,130	181,440	21,219	203,789	1,052	160,448	45,544	207,044
Micro enterprise	17,348	5,428	660	23,436	14,008	2,667	352	17,027
Small	3,695	1,213	2,252	7,160	5,187	1,026	1,119	7,332
Medium	2,297	224	1,830	4,351	6,074	313	4,436	10,823
Large	17,683	2,898	3,398	23,979	10,296	755	1,456	12,507
TOTAL GROSS PREMIUMS WRITTEN	42,153	191,203	29,359	262,715	36,617	165,209	52,907	254,733

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

	For the six month periods ended 30 June 2025-(Un-audited)				For the six month periods ended 30 June 2024-(Un-audited)			
	Medical	Motor	General Accident and Others	Total	Medical	Motor	General Accident and Others	Total
	SAR'000				SAR'000			
Reinsurance Premium ceded								
Foreign	24,922	1,842	13,406	40,170	26,763	1,398	15,433	43,594
Local	2,671	790	3,659	7,120	-	466	847	1,313
	27,593	2,632	17,065	47,290	26,763	1,864	16,280	44,907

	For the three month periods ended 30 June 2025-(Un-audited)				For the three month period ended 30 June 2024-(Un-audited)			
	Medical	Motor	General Accident and Others	Total	Medical	Motor	General Accident and Others	Total
	SAR'000				SAR'000			
Reinsurance Premium ceded								
Foreign	14,111	921	5,036	20,068	12,265	(399)	6,367	18,233
Local	1,537	395	1,648	3,580	-	(133)	380	247
	15,648	1,316	6,684	23,648	12,265	(532)	6,747	18,480

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FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of the following:

		SAR'000	
	Note	30 June 2025 (Unaudited)	31 December 2024 (Audited)
<i>Insurance operations</i>			
Bank balances and cash		396,615	46,061
Deposits maturing within 3 months from the acquisition date	6.1	3,489	475,859
		400,104	521,920
<i>Shareholders' operations</i>			
Bank balances and cash		-	140
Deposits maturing within 3 months from the acquisition date	6.1	-	132,958
		-	133,098
Less: expected credit loss allowance		(21)	(350)
Total		400,083	654,668

6.1 Term deposits are held with the financial institutions. These term deposits are denominated in Saudi Arabian Riyals and have an original maturity of less than three months. The carrying amounts of these term deposits reasonably approximate their fair values at the reporting date. These deposits earn commission at an average of 5.8% per annum as at 30 June 2025 (31 December 2024: 6.04%).

7 INVESTMENTS

		SAR'000	
		30 June 2025 (Unaudited)	31 December 2024 (Audited)
Investments measured at fair value through other comprehensive income	7.1	63,663	61,154
Investments measured at fair value through profit or loss	7.2	304,683	29,137
		368,346	90,291

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

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

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)-(CONTINUED)
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7 INVESTMENTS-(CONTINUED)

7.2 Investments measured at fair value through profit or loss

Opening balance as at 01 January

- Listed Equity Securities
- Unlisted Equity Securities

SAR'000	
30 June 2025	31 December 2024
(Unaudited)	(Audited)
9,035	-
20,102	-
29,137	-

Add: Additions during the period/year

- Listed Equity Securities
- Unlisted Equity Securities

613,599	10,164
-	20,000
613,599	30,164

Less: Disposals during the period/year

- Listed Equity Securities
- Unlisted Equity Securities

(337,353)	(535)
-	-

Add/(less): fair value measurement change during the year including disposal gain/(loss)

- Listed Equity Securities
- Unlisted Equity Securities

(691)	(594)
(9)	102
(700)	(492)

Closing Balance

- Listed Equity Securities
- Unlisted Equity Securities

284,590	9,035
20,093	20,102
304,683	29,137

8 STATUTORY DEPOSIT

Statutory deposit

SAR'000	
30 June 2025	31 December 2024
(Unaudited)	(Audited)
43,650	43,650
43,650	43,650

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

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

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

	SAR'000	
	30 June 2025	31 December 2024
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	8,479	11,622
Provided during the period / year	1,748	7,100
Payments during the period / year	(4,243)	(10,243)
Balance at the end of the period / year	5,984	8,479

Zakat base has been computed based on the Company's understanding of the Zakat regulations enforced in the Kingdom of Saudi Arabia. The Zakat regulations in Saudi Arabia are subject to different interpretations, and the assessments to be raised by the Zakat, Tax and Custom Authority (the "ZATCA") could be different from the declarations filed by the Company.

Status of assessments

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

10 SHARE CAPITAL

As at 30 June, 2025, the authorized, subscribed and paid up share capital of the Company was SAR 291 million (31 December 2024: SAR 291 million), divided into 29.1 million shares of SAR 10 each. Refer to Note no.20 for the update on the Share Capital after the period end.

11 SEGMENTAL INFORMATION

Operating segments are identified on the basis of internal reports about components of the Company that are regularly reviewed by the Company's Board of Directors in their function as chief operating decision maker in order to allocate resources to the segments and to assess its performance.

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

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

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

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11 SEGMENTAL INFORMATION-(CONTINUED)

	30 June 2025 (Unaudited)						
	Medical	Motor	General Accident	Others	Insurance Operations	Shareholders' Operations	Total
	SAR'000						
Assets							
Reinsurance contract assets	29,745	4,252	8,284	25,586	67,867	-	67,867
Cash and cash equivalents	-	-	-	-	400,083	-	400,083
Term deposits	-	-	-	-	-	-	-
Investments	-	-	-	-	129,738	238,608	368,346
Unallocated assets	-	-	-	-	35,916	46,578	82,494
Total assets	29,745	4,252	8,284	25,586	633,604	285,185	918,789
Liabilities and equity							
Insurance contract liabilities	79,985	339,538	153,197	17,340	590,060	-	590,060
Unallocated liabilities and equity	-	-	-	-	43,544	285,185	328,729
Total liabilities and insurance operations` surplus	79,985	339,538	153,197	17,340	633,604	285,185	918,789
	31 December 2024 (Audited)						
	Medical	Motor	General Accident	Others	Insurance Operations	Shareholders' Operations	Total
	SAR'000						
Assets							
Reinsurance contract assets	33,287	5,379	5,556	24,198	68,420	-	68,420
Cash and cash equivalents	-	-	-	-	521,624	133,044	654,668
Term deposits	-	-	-	-	-	-	-
Investments	-	-	-	-	-	90,291	90,291
Unallocated assets	-	-	-	-	36,056	45,094	81,150
Total assets	33,287	5,379	5,556	24,198	626,100	268,429	894,529
Liabilities and equity							
Insurance contract liabilities	86,696	325,676	162,436	11,660	586,468	-	586,468
Unallocated liabilities and equity	-	-	-	-	39,632	268,429	308,061
Total liabilities and insurance operations` surplus	86,696	325,676	162,436	11,660	626,100	268,429	894,529

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025
11 SEGMENTAL INFORMATION-(CONTINUED)

	For the six-months period ended 30 June 2025 (Unaudited)					
	Medical	Motor	General Accident	Others	Total Insurance Operations	Shareholders' Operations
	SAR'000					
Insurance revenue	74,040	254,898	69,910	11,379	410,227	-
Insurance service expenses	(67,151)	(244,069)	(59,428)	(8,124)	(378,772)	-
Insurance service result before reinsurance contracts held	6,889	10,829	10,482	3,255	31,455	-
Amounts recoverable from reinsurance	29,038	(512)	590	6,341	35,457	-
Allocation of reinsurance premiums	(25,234)	(2,633)	(3,175)	(9,870)	(40,912)	-
Net expenses from reinsurance contracts held	3,804	(3,145)	(2,585)	(3,529)	(5,455)	-
Share of Surplus from insurance pools	-	-	-	2,561	2,561	-
<u>INSURANCE REVENUE RESULT</u>	10,693	7,684	7,897	2,287	28,561	-
Interest revenue from financial assets measured at amortised costs.					3,406	1,453
Other investment income					-	4,646
Fair value gain on investments					-	(4,166)
Net ECL charge on financial assets					262	47
Net investment income					3,668	1,980
Net finance expense from insurance contracts issued	(63)	(1,582)	(13)	(7)	(1,665)	-
Net finance expense from reinsurance contracts issued	157	(8)	-	(18)	131	-
	94	(1,590)	(13)	(25)	(1,534)	-
Net insurance and investment result	10,787	6,094	7,884	2,262	30,695	1,980
Other income					-	-
Other operating expenses					(13,806)	(2,006)
Net profit for the period, before zakat & income tax, attributable to the shareholders					16,889	(26)
Zakat charge for the period					-	(1,748)
Net profit /(loss) attributable to shareholders.					16,889	(1,774)

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)-(CONTINUED)
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11 SEGMENTAL INFORMATION-(CONTINUED)

	For the six-month periods ended 30 June 2024-(Un-audited)						
	Medical	Motor	General Accident	Others	Total Insurance Operations	Shareholders' Operations	Total
	SAR'000						
Insurance revenue	85,946	328,097	18,824	14,270	447,137	-	447,137
Insurance service expenses	(121,710)	(271,715)	(17,858)	(4,002)	(415,285)	-	(415,285)
Insurance service result before reinsurance contracts held	(35,764)	56,382	966	10,268	31,852	-	31,852
Allocation of reinsurance premiums	(28,569)	(1,865)	(4,234)	(11,539)	(46,207)	-	(46,207)
Amounts recoverable from reinsurance	41,377	(1,147)	(359)	372	40,243	-	40,243
Net expenses from reinsurance contracts held	12,808	(3,012)	(4,593)	(11,167)	(5,964)	-	(5,964)
Share of Surplus from insurance pools	-	-	-	-	1,118	405	1,523
INSURANCE REVENUE RESULT	(22,956)	53,370	(3,627)	(899)	27,006	405	27,411
Interest revenue from financial assets measured at amortised costs.					18,438	2,732	21,170
Other investment income					-	-	-
Net ECL charge on financial assets					(179)	(39)	(219)
Net investment income					18,259	2,692	20,951
Net finance income from insurance contracts issued	(99)	1,317	253	14	1,485	-	1,485
Net finance income from reinsurance contracts issued	14	13	-	(7)	20	-	20
	(85)	1,330	253	7	1,505	-	1,505
Net insurance and investment result	(23,041)	54,700	(3,374)	(892)	46,770	3,098	49,867
Other income					-	-	-
Other operating expenses					(13,047)	(2,333)	(15,380)
Net profit / (loss) for the period, before zakat & income tax, attributable to the shareholders					33,722	765	34,487
Zakat charge for the period					-	(6,600)	(6,600)
Net profit /(loss) attributeable to shareholders.					33,722	(5,835)	27,887

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11 SEGMENTAL INFORMATION-(CONTINUED)

	For the three-months period ended 30 June 2025 (Unaudited)					
	Medical	Motor	General Accident	Others	Total Insurance Operations	Shareholders' Operations
	SAR'000					
Insurance revenue	37,735	137,048	41,582	6,074	222,439	-
Insurance service expenses	(40,022)	(129,636)	(40,199)	(6,740)	(216,597)	-
Insurance service result before reinsurance contracts held	(2,287)	7,412	1,383	(666)	5,842	-
Amounts recoverable from reinsurance	15,124	-	1,131	7,344	23,599	-
Allocation of reinsurance premiums	(12,725)	(1,317)	(1,557)	(5,596)	(21,195)	-
Net expenses from reinsurance contracts held	2,399	(1,317)	(426)	1,748	2,404	-
Share of Surplus from insurance pools	-	-	-	1,795	1,795	-
<u>INSURANCE REVENUE RESULT</u>	112	6,095	957	2,877	10,041	-
Interest revenue from financial assets measured at amortised costs.					371	944
Other investment income					-	4,081
Fair value gain on investments					-	(5,122)
Net ECL charge on financial assets					262	47
Net investment income					633	(50)
Net finance expense from insurance contracts issued	(10)	(480)	(39)	(20)	(549)	-
Net finance expense from reinsurance contracts issued	182	1	-	(11)	172	-
	172	(479)	(39)	(31)	(377)	-
Net insurance and investment result	284	5,616	918	2,846	10,297	(50)
Other income					-	-
Other operating expenses					(7,551)	(675)
Net profit for the period, before zakat & income tax, attributable to the shareholders					2,746	(725)
Zakat charge for the year					-	(684)
Net profit /(loss) attributable to shareholders.					2,746	(1,409)

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11 SEGMENTAL INFORMATION-(CONTINUED)

For the three-months period ended 30 June 2024						
Medical	Motor	General Accident	Others	Total Insurance Operations	Shareholders' Operations	Total
SAR'000						
Insurance revenue	42,835	153,499	12,076	7,308	215,718	- 215,718
Insurance service expenses	(66,868)	(134,635)	(8,934)	(2,285)	(212,722)	- (212,722)
Insurance service result before reinsurance contracts held	(24,033)	18,864	3,142	5,023	2,996	- 2,996
Allocation of reinsurance premiums	(14,049)	532	(1,920)	(5,939)	(21,376)	- (21,376)
Amounts recoverable from reinsurance	22,874	(1,147)	(206)	497	22,018	- 22,018
Net expenses from reinsurance contracts held	8,825	(615)	(2,126)	(5,442)	642	- 642
Share of Surplus from insurance pools				471	405	876
INSURANCE REVENUE RESULT	(15,208)	18,249	1,016	(419)	4,109	405 4,514
Interest revenue from financial assets measured at amortised costs.				9,060	1,366	10,426
Other investment income				-	-	-
Net ECL (charge) /reversal on financial assets				-	-	-
Net investment income				9,060	1,366	10,426
Net finance income from insurance contracts issued	7	(1,077)	305	21	(744)	- (744)
Net finance expenses from insurance contracts issued	(2)	11	-	(21)	(12)	(12)
	5	-1066	305	-	(756)	- (756)
Net insurance and investment result	(15,203)	17,183	1,321	(419)	12,413	1,771 14,184
Other income				-	-	-
Other operating expenses				(7,256)	963	(6,294)
Net profit for the period, before zakat & income tax, attributable to the shareholders				5,157	2,733	7,890
Zakat charge for the period				-	(5,000)	(5,000)
Net profit /(loss) attributable to shareholders.				5,157	(2,267)	2,890

12 FAIR VALUES OF FINANCIAL INSTRUMENTS

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

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

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

Determination of fair value and fair value hierarchy

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

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

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

Level 3: valuation techniques for which any significant input is not based on observable market data.

a) Carrying amount and fair value

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

Shareholders' operations			(Unaudited)		
SAR'000s	Carrying Value	Level 1	Level 2	Level 3	Total
30 June, 2025					
Investments measured at fair value through other comprehensive income					
<i>Unquoted securities</i>	63,663	-	-	63,663	63,663
Investments measured at fair value through profit or loss					
<i>Quoted securities</i>	284,590	284,590	-	-	284,590
<i>Unquoted securities</i>	20,093	-	-	20,093	20,093
	368,346	284,590	-	83,756	368,346

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

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)-(CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025
13 RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors and key management personnel of the Company, and companies of which they are principal owners and any other entities controlled, jointly controlled or significantly influenced by them. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors. The following are the details of the major related party transactions during the period and the related balances:

Related parties	Nature of transaction	Transactions for the period ended		Balance receivable / (payable) as at	
		30 June,	30 June,	30 June,	31 December
		2025	2024	2025	2024
		SAR'000			
Board of directors	Premium written	3	3	-	-
Affiliates	Premium written		-	-	-
	Claims paid/ payment received	-	-	-	-
ACIG Bahrain (Shareholder)	Claims paid on behalf of ACIG Bahrain	-	-	-	-
Board and audit committee	Attendance fees	269	78	-	-

Remuneration and compensation of BOD Members and Top Executives

	SAR'000	
	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Salaries and other allowances	3,128	2,940
End of service indemnities	233	48
	3,361	2,988

ALLIED COOPERATIVE INSURANCE GROUP (ACIG)
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)-(CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025
14 OTHER OPERATING COSTS

SAR'000	
For the six-months period ended	
30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Policy acquisition costs	44,259
Employees' costs	31,718
Rents, IT, utilities and maintenance costs	4,716
Professional and Legal expenses	2,120
Depreciation and amortisation	3,696
Marketing expenses and other	12,106
	98,615

Allocation of expenses is as follows;

	For the six-months period ended 30 June 2025 (Unaudited)			For the six-months period ended 30 June 2024 (Unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Policy acquisition costs*	44,259	-	44,259	45,019	-	45,019
Other attributable expenses*	38,544	-	38,544	34,744	-	34,744
Other operating expenses**	13,806	2,006	15,812	13,047	2,333	15,380
	96,609	2,006	98,615	92,810	2,333	95,143

*Reported part of insurance service expense

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

15 INSURANCE SERVICE EXPENSES

	For the six-month period ended 30 June 2025 (Unaudited)				
	Medical	Motor	General Accident	Others	Total
Incurring claims and other directly attributable expenses	75,740	221,136	44,121	5,187	346,184
Reversal of losses on onerous contracts	(8,830)	(8,900)	(5,862)	-	(23,592)
Changes that relate to past service - adjustments to the LIC	(12,934)	(11,341)	9,033	70	(15,172)
Surplus distribution to policyholders	121	20	65	1,517	1,723
Insurance acquisition cash flows amortization	13,054	43,154	12,071	1,350	69,629
	67,151	244,069	59,428	8,124	378,772

	For the six-month period ended 30 June 2024 (Unaudited)				
	Medical	Motor	General Accident	Others	Total
Incurring claims and other directly attributable expenses	96,896	242,735	17,748	3,248	360,627
Losses on onerous contracts	9,440	10,798	-	-	20,238
Changes that relate to past service - adjustments to the LIC	(5,532)	(37,135)	(2,100)	(32)	(44,799)
Surplus distribution to policyholders	3,416	-	-	-	3,416
Insurance acquisition cash flows amortization	17,490	55,317	2,210	786	75,803
	121,710	271,715	17,858	4,002	415,285

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

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

16 SUPPLEMENTARY INFORMATION

STATEMENT OF INCOME

	SAR '000					
	For the three-months period ended					
	30 June 2025			30 June 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Insurance revenue	222,439	-	222,439	215,718	-	215,718
Insurance service expenses	(216,597)	-	(216,597)	(212,722)	-	(212,722)
Insurance service result before reinsurance contracts held	5,842	-	5,842	2,996	-	2,996
Amounts recoverable from reinsurance	23,599	-	23,599	22,018	-	22,018
Allocation of reinsurance premiums	(21,195)	-	(21,195)	(21,376)	-	(21,376)
Net expenses from reinsurance contracts held	2,404	-	2,404	642	-	642
Share of Surplus from insurance pool	1,795	-	1,795	471	405	876
Insurance service result	10,041	-	10,041	4,109	405	4,514
Interest revenue from financial assets measured at amortised costs.	371	944	1,315	9,060	1,366	10,426
Other investment income	-	4,081	4,081	-	-	-
Fair value gain on investments	-	(5,122)	(5,122)	-	-	-
Net ECL (charge) /reversal on financial assets	262	47	309	-	-	-
Net investment income	633	(50)	583	9,060	1,366	10,426
Net finance (expenses) / income from insurance contracts issued	(549)	-	(549)	(744)	-	(744)
Net finance (expenses) / income from reinsurance contracts issued	172	-	172	(12)	-	(12)
Net insurance finance (expenses) / income	(377)	-	(377)	(756)	-	(756)
Net insurance and investment result	10,297	(50)	10,247	12,413	1,771	14,184
Other income	-	-	-	-	-	-
Other operating expenses	(7,551)	(675)	(8,226)	(7,256)	962	(6,294)
Net profit / (loss) for the period, before zakat & income tax, attributable to the shareholders	2,746	(725)	2,021	5,157	2,733	7,890
Zakat reversed /(charged) during the period	-	(684)	(684)	-	(5,000)	(5,000)
Net profit / (loss)for the period, after zakat & income tax, attributable to shareholders	2,746	(1,409)	1,337	5,157	(2,267)	2,890
Other comprehensive income:						
<i>Items that will not be reclassified to statement of income in subsequent periods</i>						
- Net change in fair value of FVOCI Investments	-	-	-	-	-	-
- Actuarial losses on employees' terminal benefits	-	-	-	-	-	-
Total other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	2,746	(1,409)	1,337	5,157	(2,267)	2,890

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

16 SUPPLEMENTARY INFORMATION (CONTINUED)

INTERIM STATEMENT OF INCOME

	SAR '000					
	For the six-month period ended					
	30 June 2025			30 June 2024		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Insurance revenue	410,227	-	410,227	447,137	-	447,137
Insurance service expenses	(378,772)	-	(378,772)	(415,285)	-	(415,285)
Insurance service result before reinsurance contracts held	31,455	-	31,455	31,852	-	31,852
Amounts recoverable from reinsurance	35,457	-	35,457	40,243	-	40,243
Allocation of reinsurance premiums	(40,912)	-	(40,912)	(46,207)	-	(46,207)
Net expenses from reinsurance contracts held	(5,455)	-	(5,455)	(5,964)	-	(5,964)
Share of Surplus from insurance pools	2,561	-	2,561	1,118	405	1,523
Insurance service result	28,561	-	28,561	27,006	405	27,411
Interest revenue from financial assets measured at amortised costs.	3,406	1,453	4,859	18,438	2,732	21,170
Other investment income	-	4,646	4,646	-	-	-
Fair value gain on investments	-	(4,166)	(4,166)	-	-	-
Net ECL (charge) /reversal on financial assets	262	47	309	(179)	(39)	(219)
Net investment income	3,668	1,980	5,648	18,259	2,692	20,951
Net finance expenses from insurance contracts issued	(1,665)	-	(1,665)	1,485	-	1,485
Net finance income from reinsurance contracts held	131	-	131	20	-	20
Net insurance finance income	(1,534)	-	(1,534)	1,505	-	1,505
Net insurance and investment result	30,695	1,980	32,675	46,770	3,097	49,867
Other income	-	-	-	-	-	-
Other operating expenses	(13,806)	(2,006)	(15,812)	(13,047)	(2,333)	(15,380)
Net profit for the period, before zakat & income tax, attributable to the shareholders	16,889	(26)	16,863	33,723	764	34,487
Zakat charged during the period.	-	(1,748)	(1,748)	-	(6,600)	(6,600)
Net profit / (loss) for the period, after zakat & income tax, attributable to shareholders	16,889	(1,774)	15,115	33,723	(5,836)	27,887
Other comprehensive income:						
<i>Items that will not be reclassified to statement of income in subsequent periods</i>						
- Net change in fair value of FVOCI Investments	-	2,509	2,509	-	-	-
- Actuarial losses on employees' terminal benefits	-	-	-	-	-	-
Total other comprehensive income for the period	-	2,509	2,509	-	-	-
Total comprehensive income / (loss) for the period	16,889	735	17,624	33,723	(5,836)	27,887

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

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

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

16 SUPPLEMENTARY INFORMATION

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

	SAR '000					
	30 June 2025 (Unaudited)			31 December 2024 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
<u>ASSETS</u>						
Cash and cash equivalents	400,083	-	400,083	521,624	133,044	654,668
Investments	129,738	238,608	368,346	-	90,291	90,291
Reinsurance contract assets	67,867	-	67,867	68,420	-	68,420
Prepayments and other receivables	17,793	383	18,176	18,187	191	18,378
Right-of-use asset, net	5,901	-	5,901	7,543	-	7,543
Statutory deposit	-	43,650	43,650	-	43,650	43,650
Accrued income on statutory deposit	-	2,544	2,544	-	1,253	1,253
Property and equipment, net	5,591	-	5,591	3,544	-	3,544
Intangible assets, net	6,631	-	6,631	6,782	-	6,782
TOTAL ASSETS	633,604	285,185	918,789	626,100	268,429	894,529
<u>LIABILITIES</u>						
Insurance contract liabilities	590,060	-	590,060	586,468	-	586,468
Employees' terminal benefits	17,788	-	17,788	17,389	-	17,389
Lease liabilities	5,051	-	5,051	6,750	-	6,750
Provision for zakat and income tax	-	5,984	5,984	-	8,479	8,479
Accruals and other payables	25,409	1,178	26,587	20,197	842	21,039
Accrued income on statutory deposit payable to Insurance Authority	-	2,544	2,544	-	1,253	1,253
TOTAL LIABILITIES	638,308	9,706	648,014	630,804	10,574	641,378
<u>EQUITY</u>						
Share capital	-	291,000	291,000	-	291,000	291,000
Accumulated losses	-	(77,264)	(77,264)	-	(92,379)	(92,379)
Fair values reserve on investments	-	61,743	61,743	-	59,234	59,234
Re-measurement reserve of employees' terminal benefits	(4,704)	-	(4,704)	(4,704)	-	(4,704)
TOTAL EQUITY	(4,704)	275,479	270,775	(4,704)	257,855	253,151
TOTAL LIABILITIES AND EQUITY	633,604	285,185	918,789	626,100	268,429	894,529

17 EARNING PER SHARE

Earning per share for the period has been calculated by dividing the net income for the period by the weighted average number of issued and outstanding shares at year end.

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

	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Net profit for the period (SAR in '000)	15,115	27,887
Weighted average number of ordinary shares outstanding in ('000)	29,100	29,100
Basic and diluted earnings per share. (in SAR)	0.52	0.96

18 COMMITMENTS AND CONTINGENCIES

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

19 COMPARATIVE FIGURES

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

20 SUBSEQUENT EVENT

Subsequent to period end, On 27 July 2025, the Company announced on the recommendation of the Board of Directors to increase its capital by SAR 9 million Saudi Riyals to meet the minimum required paid-up capital of 300 million Riyals. The capital raise will involve a rights issue, subject to shareholder and regulatory approvals. Eligibility will be based on shareholders listed at the end of the second trading day after the extraordinary general assembly. A financial advisor will be appointed, with further announcements to follow.

21 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements have been approved by the Board of Directors on 03 August 2025 (corresponding to Safar 9, 1447 AH).