BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITORS' REVIEW REPORT

FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED
30 JUNE 2026

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

To the Shareholders of
Bupa Arabia for Cooperative Insurance Company
(A Saudi Joint Stock Company)
Kingdom of Saudi Arabia

Introduction

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

Scope of review

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

Conclusion

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

Other Matter

The consolidated financial statements for the year ended 31 December 2025 and the interim condensed consolidated financial statements for the period ended 30 June 2025 were respectively audited and reviewed by other joint auditors who expressed an unmodified opinion and review conclusion on 8 February 2026 (corresponding to 20 Shaban 1447H) and 7 August 2025 (corresponding to 13 Safar 1447H), respectively.

PricewaterhouseCoopers

Ali A. Alotaibi
License No. 379

برايس وترهاوس كوبرز
محاسبون قانونيون
ترخيص ٣٢٣/١١/٢٥/١
س.ت ٤٠٣٠٢٨٩٠٠٢
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ديلويت آند توش وشركاه
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CR.: 4030297049
Jeddah Branch
Chartered Accountants
Deloitte and Touche & Co.

Jeddah, Kingdom of Saudi Arabia
21 Safar 1448H
Corresponding to 4 August, 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Assets			
Cash and cash equivalents	4	**1,252,851**	1,433,518
Reinsurance contract assets	5.2	**208,541**	113,414
Prepaid expenses and other assets		**736,749**	486,081
Term deposits	7	**4,287,793**	4,742,994
Financial assets at amortized cost – net	6	**934,582**	934,922
Financial assets at fair value	6	**9,825,452**	8,633,578
Deferred tax asset	14	**35,320**	35,232
Fixtures, furniture and equipment – net		**158,103**	124,733
Right-of-use assets – net		**246,023**	265,026
Intangible assets – net		**77,774**	78,369
Statutory deposit – net	8	**149,973**	149,973
Accrued income on statutory deposit	8	**2,540**	7,081
Goodwill		**98,000**	98,000
Total assets		**18,013,701**	17,102,921
Liabilities			
Accrued and other liabilities	15	**1,279,394**	692,164
Insurance contract liabilities	5.1	**10,198,101**	9,810,454
Due to related parties	13	**30,608**	46,272
Lease liabilities		**244,189**	264,254
Provision for end-of-service benefits		**232,096**	221,536
Provision for zakat and income tax	14	**402,311**	388,190
Accrued income payable to Insurance Authority	8	**2,540**	7,081
Total liabilities		**12,389,239**	11,429,951
Equity			
Share capital	15	**1,500,000**	1,500,000
Statutory reserve	16	**1,500,000**	1,500,000
Share based payments reserve		**94,467**	81,236
Shares held under employees share scheme		**(326,001)**	(258,120)
Retained earnings		**2,946,886**	2,856,495
Re-measurement reserve for end-of-service benefits		**(10,711)**	(10,711)
Investments fair value reserve		**(80,179)**	4,070
Total equity		**5,624,462**	5,672,970
Total liabilities and equity		**18,013,701**	17,102,921

Chairman
Loay Hisham Nazer

Acting Chief Financial Officer
Abdulrahman Osama Saimaldahar

Director and Chief Executive Officer
Tal Hisham Nazer

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (unaudited)
For the three-month and six-month periods ended 30 June 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

		Three-month period ended 30 June		Six-month period ended 30 June	
	Notes	**2026**	2025	**2026**	2025
Insurance revenue	5.1	**5,299,909**	4,715,717	**10,540,291**	9,125,481
Insurance service expenses	5.1	**(5,035,484)**	(4,484,602)	**(9,912,883)**	(8,504,558)
Net expenses from reinsurance contracts held	5.2	**(20,217)**	(2,037)	**(22,330)**	(40,659)
Net insurance service result		**244,208**	229,078	**605,078**	580,264
Commission and income on financial assets at amortized cost		**71,127**	92,148	**144,552**	182,136
Commission and income on financial assets at fair value		**144,683**	92,602	**267,494**	188,772
Net impairment reversal / (loss) on financial assets		**20**	(179)	**218**	(120)
Net investment results		**215,830**	184,571	**412,264**	370,788
Net insurance and investment results		**460,038**	413,649	**1,017,342**	951,052
Other operating expenses		**(114,420)**	(95,322)	**(236,437)**	(201,742)
Other revenue		**29,799**	23,655	**59,185**	45,999
Other cost		**(14,542)**	(10,153)	**(26,041)**	(19,782)
Income attributed to the shareholders before zakat and income tax		**360,875**	331,829	**814,049**	775,527
Zakat charge	14	**(22,342)**	(13,627)	**(46,349)**	(36,129)
Income tax charge	14	**(31,754)**	(31,949)	**(73,625)**	(72,913)
Net income attributed to the shareholders after zakat and income tax		**306,779**	286,253	**694,075**	666,485
Basic and diluted earnings per share (expressed in SR per share)	18	**2.07**	1.92	**4.68**	4.46

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)
For the three-month and six-month periods ended 30 June 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Three-month period ended 30 June		Six-month period ended 30 June	
	2026	2025	**2026**	2025
Net income attributed to the shareholders after zakat and income tax	**306,779**	286,253	**694,075**	666,485
Other comprehensive income / (loss)				
A. Items that will not be reclassified to statement of income in subsequent periods				
Net changes in fair value of investments measured at FVOCI – equity instruments	**16,185**	(14,332)	**(8,707)**	(17,271)
B. Items that may be reclassified to statement of income in subsequent periods				
Net changes in fair value of investments measured at FVOCI – debt instruments	**29,621**	(14,481)	**(79,123)**	59,319
Net changes in allowance for expected credit losses of investments measured at FVOCI – debt instruments	**(104)**	(66)	**(103)**	(26)
Total other comprehensive income / (loss)	**45,702**	(28,879)	**(87,933)**	42,022
Total comprehensive income for the period	**352,481**	257,374	**606,142**	708,507

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BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six-month period ended 30 June 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

2026	Share capital	Statutory reserve	Share based payments reserve	Shares held under employees share scheme	Retained earnings	Re-measurement reserve for end-of-service benefits	Investments fair value reserve	Total equity
Balance at 31 December 2025 (audited)	**1,500,000**	**1,500,000**	**81,236**	**(258,120)**	**2,856,495**	**(10,711)**	**4,070**	**5,672,970**
Net income for the period attributed to the shareholders after zakat and income tax	-	-	-	-	**694,075**	-	-	**694,075**
Other comprehensive loss	-	-	-	-	-	-	**(87,933)**	**(87,933)**
Total comprehensive income for the period	-	-	-	-	**694,075**	**-**	**(87,933)**	**606,142**
Transfer of realized fair value loss for FVOCI equity instruments to retained earnings	-	**-**	**-**	**-**	**(3,684)**	**-**	**3,684**	**-**
Provision for employees share scheme	-	-	**23,714**	-	-	-	-	**23,714**
Transactions with owners of the Group:								
Delivery of shares held under employees share scheme	-	-	**(10,483)**	**10,483**	-	-	-	-
Purchase of shares held under employees share scheme	-	-	**-**	**(78,364)**	-	-	-	**(78,364)**
Dividends declared (note 15)	-	-	**-**	**-**	**(600,000)**	-	-	**(600,000)**
Balance at 30 June 2026 (unaudited)	**1,500,000**	**1,500,000**	**94,467**	**(326,001)**	**2,946,886**	**(10,711)**	**(80,179)**	**5,624,462**

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
For the six-month period ended 30 June 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Share capital	Statutory reserve	Share based payments reserve	Shares held under employees share scheme	Retained earnings	Re-measurement reserve for end-of-service benefits	Investments fair value reserve	Total equity
2025								
Balance at 31 December 2024 (audited)	1,500,000	1,500,000	48,634	(145,476)	2,306,706	(7,573)	(84,294)	5,117,997
Net income for the period attributed to the shareholders after zakat and income tax	-	-	-	-	666,485	-	-	666,485
Other comprehensive income	-	-	-	-	-	-	42,022	42,022
Total comprehensive income for the period	-	-	-	-	666,485	-	42,022	708,507
Transfer of realized fair value loss for FVOCI equity instruments to retained earnings	-	-	-	-	(131)	-	131	-
Provision for employees share scheme	-	-	21,019	-	-	-	-	21,019
Transactions with owners of the Group:								
Delivery of shares held under employees share scheme	-	-	(8,992)	8,992	-	-	-	-
Dividends declared (note 15)	-	-	-	-	(600,000)	-	-	(600,000)
Balance at 30 June 2025 (unaudited)	1,500,000	1,500,000	60,661	(136,484)	2,373,060	(7,573)	(42,141)	5,247,523

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)
For the six-month period ended 30 June 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	Six-month period ended 30 June 2026	2025
Cash flows from operating activities			
Net income attributed to shareholders before zakat and income tax		**814,049**	775,527
Adjustments for non-cash items:			
Depreciation of fixtures, furniture and equipment		**12,663**	7,648
Amortisation of right-of-use assets		**20,263**	12,435
Amortisation of intangible assets		**12,845**	11,089
Loss on disposal of fixtures, furniture and equipment		**45**	69
Provision for employees share scheme		**23,714**	21,019
Net impairment reversal on financial assets		**(184)**	(47)
Commission and income on financial assets at amortized cost		**(144,552)**	(182,136)
Commission and income on financial assets at fair value		**(267,494)**	(188,772)
Provision for end-of-service benefits		**18,062**	16,916
Finance cost on leases		**6,005**	3,769
Changes in operating assets and liabilities:			
Insurance contract liabilities		**410,635**	513,035
Reinsurance contract assets		**(95,127)**	(73,142)
Investment carried at FVTPL		**(1,677,630)**	(209,699)
Prepaid expenses and other assets		**(250,676)**	(123,245)
Accrued and other liabilities		**(12,770)**	(43,804)
Due to related parties		**(15,664)**	(22,023)
		(1,145,816)	518,639
End-of-service benefits paid		**(7,502)**	(3,522)
Surplus paid to policyholders		**(22,988)**	(9,254)
Zakat and income tax paid		**(105,941)**	(103,968)
Net cash (used in) / generated from operating activities		**(1,282,247)**	401,895
Cash flows from investing activities			
Placement in term deposits	7	**-**	(500,000)
Proceeds from maturity of term deposits	7	**573,163**	747,684
Additions to investments carried at FVOCI	6	**(226,206)**	(683,748)
Additions to investments carried at amortised cost	6	**-**	(37,126)
Disposal of investments carried at FVOCI	6	**714,219**	675,880
Proceeds from maturity of amortised cost investments	6	**1,432**	-
Proceeds from commissions and dividends*		**202,986**	185,176
Additions to fixtures, furniture and equipment		**(46,078)**	(37,995)
Additions to intangible assets		**(12,250)**	(18,601)
Net cash generated from investing activities		**1,207,266**	331,270
Cash flows from financing activities			
Purchase of shares held under employees share scheme		**(78,364)**	-
Lease liability paid**		**(27,322)**	(16,786)
Net cash used in financing activities		**(105,686)**	(16,786)
Net change in cash and cash equivalents		**(180,667)**	716,379
Cash and cash equivalents at beginning of the period		**1,433,518**	925,190
Cash and cash equivalents at end of the period		**1,252,851**	1,641,569
Non-cash transactions			
Dividends declared		**600,000**	600,000
Additions to right of use assets		**1,260**	75,186
Additions to lease liability		**1,252**	62,224

* This includes dividends amounting to SR 96.8 million (2025: SR 65.3 million)
** Lease liabilities paid includes finance cost of SR 6.0 million (2025: SR 3.8 million)

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

(All amounts in Saudi Riyals thousands unless otherwise stated)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Bupa Arabia for Cooperative Insurance Company (the "Company") is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia as per the Ministry of Commerce's resolution number 138/K dated 24 Rabi Thani 1429H (corresponding to 1 May 2008). The Commercial Registration number of the Company is 4030178881 dated 5 Jumad Awwal 1429H (corresponding to 11 May 2008). The Registered Office of the Company is situated at:

Al-Khalediyah District,
Prince Saud Al Faisal Street,
Front of Saudi Airlines Cargo Building,
P.O. Box 23807, Jeddah 21436,
Kingdom of Saudi Arabia.

The Company is licensed to conduct insurance business in the Kingdom of Saudi Arabia under cooperative principles in accordance with Royal Decree No. M/74 dated 29 Shabaan 1428H (corresponding to 11 September 2007) pursuant to the Council of Ministers' Resolution No 279 dated 28 Shabaan 1428H (corresponding to 10 September 2007). The objective of the Company is to transact cooperative insurance operations and related activities in the Kingdom of Saudi Arabia in accordance with its bylaws, and applicable regulations in the Kingdom of Saudi Arabia. The Company underwrites medical insurance only.

The Board of Directors approves the distribution of the surplus from insurance operations in accordance with the Implementing Regulations issued by the Saudi Central Bank ("SAMA"), 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. During the year ended 31 December 2023, the Insurance Authority has been established by a royal decree as the insurance regulator. Previously issued regulations by SAMA will be upheld until the Insurance Authority issues updated regulations. Therefore, the accrued income liability is payable to the Insurance Authority.

These interim condensed consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

On 9 September 2025 (corresponding to 17 Safar 1447H), the Group received non-objection from the Insurance Authority regarding its proposed restructuring of the Group's structure. As part of this restructuring, the Group intends to demerge its insurance business into a newly established, wholly owned subsidiary. The proposed restructuring was approved by the shareholders at the Extraordinary General Assembly on 5 March 2026 (corresponding to 16 Ramadan 1447H). The Group is currently in the process of finalizing the execution of the demerger and certain related legal formalities.

The Company has the following subsidiaries:

Name of the subsidiary	Registration number	Country of incorporation	Ownership	Principal business activity
Bupa Arabia For Third Party Administration	4030605585	Kingdom of Saudi Arabia	100%	Claims management services
Health Horizon Medical Care Company	4030512306	Kingdom of Saudi Arabia	100%	Healthcare services

2. BASIS OF PREPARATION

(a) Statement of compliance

The interim condensed consolidated financial statements of the Group 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 that are endorsed by Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

The interim condensed consolidated financial statements are prepared under the going concern basis and the historical cost convention, except for the measurement of investments at their fair value through profit or loss (FVTPL) and 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. Moreover, the insurance and reinsurance contracts are measured at the estimated fulfilment cashflows that are expected to arise as the Group fulfils its contractual obligations in accordance with IFRS 17.

The details relating to gross written premium under note 12 of these interim condensed consolidated financial statements are disclosed to comply with the requirements of the Insurance Authority. The classification of gross written premium (amount of policy premium) is based on the number of lives covered in the policy as prescribed by regulation.

The Group’s interim condensed consolidated statement of financial position is not presented using a current / non-current classification and is presented in order of liquidity. Except for fixtures, furniture and equipment, right-of-use assets, intangible assets, goodwill, statutory deposit, deferred tax, accrued income on statutory deposit and accrued income payable to the Insurance Authority, all other assets and liabilities are of short-term nature. Moreover, the balances which are mixed in nature i.e. include both current and non-current portions include insurance contract liabilities, lease liabilities, term deposits, financial assets at fair value, financial assets at amortized cost, reinsurance contract assets / liabilities and provision for end of service benefits.

The interim condensed consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual consolidated financial statements as of and for the year ended 31 December 2025. The risk management policies are consistent with those as disclosed in the annual consolidated financial statements for the year ended 31 December 2025 and there has been no material change in risk grading and credit quality of financial assets from 31 December 2025.

The Group continues to monitor geopolitical developments and assess any potential implications on its operations and financial position. Based on the information available as of the reporting date, management has not identified any matters requiring adjustment to the consolidated financial statements. The Group will continue to monitor developments and evaluate any potential impact in future reporting periods.

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

These condensed consolidated interim financial statements are presented in Saudi Riyal (SR) which is the Group’s functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

(b) Critical accounting judgments, estimates and assumptions

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual consolidated financial statements as at and for the year ended 31 December 2025.

(All amounts in Saudi Riyals thousands unless otherwise stated)

2. BASIS OF PREPARATION (continued)

(c) Seasonality of operations

Due to the seasonality of operations, operating profits are expected to fluctuate from one period to another.

3. MATERIAL ACCOUNTING POLICIES

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

a) New IFRS Standards, IFRIC interpretations and amendments thereof, adopted by the Group

Standards, amendments, interpretations	***Description***	***Effective date***
Amendments to IFRS 9 and IFRS 7	Classification and measurement of Financial Instruments- Amendments to IFRS 9 and IFRS 7	01 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	01 January 2026
Annual improvements to IFRS Accounting standards (Volume 11)	Minor amendments to address potential areas of confusion within the following standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7).	01 January 2026

These amendments had no material impact on the interim condensed consolidated financial statements of the Group.

b) Accounting standards issued but not yet effective

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The standards, interpretations and amendments issued that are relevant to the Group, but are not yet effective are disclosed below. Management is in the process of assessing the impact, if any, these pronouncements may have in future reporting periods.

Standards, amendments, interpretations	***Description***	***Effective from periods beginning on or after the following date***
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for optional adoption/effective date deferred indefinitely
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	01 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	01 January 2027
IFRS 20	Regulatory Assets and Regulatory Liabilities	01 January 2029
IFRS 18	IFRS 18 - Presentation and Disclosure in Financial Statements	01 January 2027

(All amounts in Saudi Riyals thousands unless otherwise stated)

3. MATERIAL ACCOUNTING POLICIES (continued)

b) Accounting standards issued but not yet effective (continued)

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 "*Presentation and Disclosure in Financial Statements"* will replace IAS 1 "*Presentation of Financial Statements"* for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted. The Group has not early adopted the new accounting standard in preparing these interim condensed consolidated interim financial statements.

The Group is currently assessing the impact of IFRS 18 through ongoing discussions involving senior management and relevant stakeholders across financial reporting, treasury and information technology. The assessment includes financial statement's presentation, management reporting, data and systems requirements, and related reporting implications.

The Group is currently assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements. The Group has preliminarily determined that providing insurance services constitutes one of its main business activities, and that investing in financial assets to back its insurance contract liabilities and its capital base is integral to that activity. Based on the assessment performed to date, the Group expects the principal impacts are expected to relate to the presentation, aggregation, disaggregation and disclosure of information within the consolidated financial statements including the classification of income and expenses into the categories required by IFRS 18 (operating, investing, financing, income taxes and discontinued operations). Classification is driven by an entity's main business activities. IFRS 18 also introduces two new mandatory subtotals (operating profit or loss, and profit or loss before financing and income tax), and expanded disclosure requirements for management-defined performance measures (MPMs).

MPM is a subtotal of income and expenses that is used in public communications outside the financial statements to communicate management's view of an aspect of the Group's financial performance as a whole and that is not specified by IFRS 18 or otherwise required to be presented or disclosed by IFRS. IFRS 18 requires disclosure of specified information about MPMs in a single note, including reconciliation to the most directly comparable subtotal specified by International Financial Reporting Standards.

IFRS 18 amends IAS 7 "Statement of Cash Flows" to require the newly defined operating profit subtotal, rather than profit before zakat and income tax for the period, to be used as the starting point for the reconciliation of cash flows from operating activities under the indirect method. The Group currently uses net income attributed to shareholders before zakat and income tax as its starting point. The composition of adjusting items in the reconciliation to cash flows from operating activities is expected to change as a result of the new starting point.

Based on the assessment performed to date, the Group does not expect the adoption of IFRS 18 to affect total profit for the period or total equity. However, the standard is expected to result in changes to the presentation and classification of certain income and expense items within the consolidated statement of income, including the introduction of IFRS 18-defined subtotals.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Bank balances	**1,253,063**	1,433,764
Less: Impairment allowance	**(212)**	(246)
	1,252,851	1,433,518

(All amounts in Saudi Riyals thousands unless otherwise stated)

5. INSURANCE AND REINSURANCE CONTRACTS

	Note	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Insurance contract liabilities			
Corporate	5.1 a	**8,730,454**	8,385,303
SMEs and others	5.1 b	**1,467,647**	1,425,151
		10,198,101	9,810,454
Reinsurance contract assets	5.2	**208,541**	113,414

5.1 Analysis by remaining coverage and incurred claims for insurance contracts

a. Corporate

	Period ended 30 June 2026 (unaudited)				
	Liability for remaining coverage (LRC)		**Liability for incurred claims (LIC)**		
	Excluding loss component	**Loss component**	**Estimate of present value of future cash flows**	**RA for non-financial risk**	**Total**
Insurance contracts issued:					
Opening insurance contract liabilities	**4,113,038**	**88,750**	**4,019,149**	**164,366**	**8,385,303**
Insurance revenue	**(9,243,203)**	**-**	**-**	**-**	**(9,243,203)**
Insurance service expenses					
Incurred claims and other directly attributable expenses	**-**	**-**	**8,808,916**	**131,063**	**8,939,979**
Losses and reversals on onerous contracts	**-**	**61,798**	**-**	**-**	**61,798**
Changes that relate to past service - adjustments to the LIC	**-**	**-**	**(525,984)**	**(121,374)**	**(647,358)**
Insurance acquisition cash flows amortization	**439,164**	**-**	**-**	**-**	**439,164**
Insurance service expenses	**439,164**	**61,798**	**8,282,932**	**9,689**	**8,793,583**
Insurance service result	**(8,804,039)**	**61,798**	**8,282,932**	**9,689**	**(449,620)**
Cash flows					
Premiums received	**9,338,228**	**-**	**-**	**-**	**9,338,228**
Claims and other directly attributable expenses paid	**-**	**-**	**(8,091,974)**	**-**	**(8,091,974)**
Insurance acquisition cash flows paid	**(451,483)**	**-**	**-**	**-**	**(451,483)**
Total cash flows	**8,886,745**	**-**	**(8,091,974)**	**-**	**794,771**
Closing insurance contract liabilities	**4,195,744**	**150,548**	**4,210,107**	**174,055**	**8,730,454**

(All amounts in Saudi Riyals thousands unless otherwise stated)

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.1 Analysis by remaining coverage and incurred claims for insurance contracts (continued)

b. SMEs and others

	Period ended 30 June 2026 (unaudited)				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	RA for non-financial risk	Total
Insurance contracts issued:					
Opening insurance contract liabilities	**860,109**	**-**	**545,257**	**19,785**	**1,425,151**
Insurance revenue	**(1,297,088)**	**-**	**-**	**-**	**(1,297,088)**
Insurance service expenses					
Incurred claims and other directly attributable expenses	**-**	**-**	**1,093,376**	**15,784**	**1,109,160**
Changes that relate to past service - adjustments to the LIC	**-**	**-**	**(57,048)**	**(14,543)**	**(71,591)**
Insurance acquisition cash flows amortization	**81,731**	**-**	**-**	**-**	**81,731**
Insurance service expenses	**81,731**	**-**	**1,036,328**	**1,241**	**1,119,300**
Insurance service result	**(1,215,357)**	**-**	**1,036,328**	**1,241**	**(177,788)**
Cash flows					
Premiums received	**1,310,858**	**-**	**-**	**-**	**1,310,858**
Claims and other directly attributable expenses paid	**-**	**-**	**(1,012,315)**	**-**	**(1,012,315)**
Insurance acquisition cash flows paid	**(78,259)**	**-**	**-**	**-**	**(78,259)**
Total cash flows	**1,232,599**	**-**	**(1,012,315)**	**-**	**220,284**
Closing insurance contract liabilities	**877,351**	**-**	**569,270**	**21,026**	**1,467,647**

(All amounts in Saudi Riyals thousands unless otherwise stated)

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.1 Analysis by remaining coverage and incurred claims for insurance contracts (continued)

a. Corporate

	Year ended 31 December 2025 (audited)				
	Liability for remaining coverage (LRC)		**Liability for incurred claims (LIC)**		
	Excluding loss component	**Loss component**	**Estimate of present value of future cash flows**	**RA for non-financial risk**	**Total**
Insurance contracts issued:					
Opening insurance contract liabilities	3,612,356	-	3,847,664	145,494	7,605,514
Insurance revenue	(16,845,710)	-	-	-	(16,845,710)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	-	16,179,176	150,730	16,329,906
Losses on onerous contracts	-	88,750	-	-	88,750
Changes that relate to past service - adjustments to the LIC	-	-	(905,529)	(131,858)	(1,037,387)
Insurance acquisition cash flows amortization	816,536	-	-	-	816,536
Insurance service expenses	816,536	88,750	15,273,647	18,872	16,197,805
Insurance service result	(16,029,174)	88,750	15,273,647	18,872	(647,905)
Cash flows					
Premiums received	17,312,948	-	-	-	17,312,948
Claims and other directly attributable expenses paid	-	-	(15,102,162)	-	(15,102,162)
Insurance acquisition cash flows paid	(783,092)	-	-	-	(783,092)
Total cash flows	16,529,856	-	(15,102,162)	-	1,427,694
Closing insurance contract liabilities	4,113,038	88,750	4,019,149	164,366	8,385,303

(All amounts in Saudi Riyals thousands unless otherwise stated)

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.1 Analysis by remaining coverage and incurred claims for insurance contracts (continued)

b. SMEs and others

	Year ended 31 December 2025 (audited)				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	RA for non-financial risk	Total
Insurance contracts issued:					
Opening insurance contract liabilities	843,142	-	539,158	16,999	1,399,299
Insurance revenue	(2,457,354)	-	-	-	(2,457,354)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	-	2,139,595	18,220	2,157,815
Changes that relate to past service - adjustments to the LIC	-	-	(109,410)	(15,434)	(124,844)
Insurance acquisition cash flows amortization	150,264	-	-	-	150,264
Insurance service expenses	150,264	-	2,030,185	2,786	2,183,235
Insurance service result	(2,307,090)	-	2,030,185	2,786	(274,119)
Cash flows					
Premiums received	2,463,799	-	-	-	2,463,799
Claims and other directly attributable expenses paid	-	-	(2,024,086)	-	(2,024,086)
Insurance acquisition cash flows paid	(139,742)	-	-	-	(139,742)
Total cash flows	2,324,057	-	(2,024,086)	-	299,971
Closing insurance contract liabilities	860,109	-	545,257	19,785	1,425,151

(All amounts in Saudi Riyals thousands unless otherwise stated)

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.2 Analysis by remaining coverage and incurred claims for reinsurance contracts

	Period ended 30 June 2026 (unaudited)				
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss component	Loss component recovery	Estimate of present value of future cash flows	RA for non-financial risk	Total
Reinsurance contracts held:					
Opening reinsurance contract assets	**(47,804)**	**-**	**(62,649)**	**(2,961)**	**(113,414)**
Reinsurance expenses	**168,707**	**-**	**-**	**-**	**168,707**
Claims recovered and other directly attributable expenses	**-**	**-**	**(185,338)**	**(2,344)**	**(187,682)**
Changes that relate to past service - adjustments to the asset for incurred claims	**-**	**-**	**39,459**	**1,846**	**41,305**
Net expenses from reinsurance contracts held	**168,707**	**-**	**(145,879)**	**(498)**	**22,330**
Cash flows					
Premiums paid	**(253,989)**	**-**	**-**	**-**	**(253,989)**
Recoveries from reinsurance	**-**	**-**	**136,532**	**-**	**136,532**
Total cash flows	**(253,989)**	**-**	**136,532**	**-**	**(117,457)**
Closing reinsurance contract assets	**(133,086)**	**-**	**(71,996)**	**(3,459)**	**(208,541)**

(All amounts in Saudi Riyals thousands unless otherwise stated)

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.2 Analysis by remaining coverage and incurred claims for reinsurance contracts (continued)

	Year ended 31 December 2025 (audited)				
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss component	Loss component recovery	Estimate of present value of future cash flows	RA for non-financial risk	Total
Reinsurance contracts held:					
Opening reinsurance contract assets	(41,276)	-	(54,504)	(2,398)	(98,178)
Reinsurance expense	289,405	-	-	-	289,405
Claims recovered and other directly attributable expenses	-	-	(295,292)	(2,805)	(298,097)
Changes that relate to past service - adjustments to the asset for incurred claims	-	-	51,226	2,242	53,468
Net expenses from reinsurance contracts held	289,405	-	(244,066)	(563)	44,776
Cash flows					
Premiums paid	(295,933)	-	-	-	(295,933)
Recoveries from reinsurance	-	-	235,921	-	235,921
Total cash flows	(295,933)	-	235,921	-	(60,012)
Closing reinsurance contract assets	(47,804)	-	(62,649)	(2,961)	(113,414)

(All amounts in Saudi Riyals thousands unless otherwise stated)

6. INVESTMENTS

	30 June 2026 (unaudited)	31 December 2025 (audited)
Financial assets at amortized cost – net (i)	**934,582**	934,922
Financial assets at fair value	**9,825,452**	8,633,578
	10,760,034	9,568,500

Details of investments classified as financial assets at fair value are as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Investments at FVTPL (ii)	**3,666,138**	1,933,126
Investments at FVOCI – Debt (iii)	**3,827,757**	4,421,891
Investments at FVOCI – Equity (iv)	**2,331,557**	2,278,561
	9,825,452	8,633,578

(i) Investments measured at amortized cost – net comprise of the following:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Sukuks	**934,763**	935,103
Less: Impairment allowance on investments at amortized cost	**(181)**	(181)
	934,582	934,922

(ii) Investments measured at FVTPL comprise of the following:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Funds	**3,656,910**	1,919,681
Equity	**9,228**	13,445
	3,666,138	1,933,126

(iii) Investments measured at FVOCI – Debt comprise of the following:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Sukuks	**3,827,757**	4,421,891

(iv) Investments measured at FVOCI – Equity comprise of the following:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Equity	**47,277**	-
Sukuks	**1,897,003**	1,885,248
Investments in discretionary portfolios	**387,277**	393,313
	2,331,557	2,278,561

(All amounts in Saudi Riyals thousands unless otherwise stated)

6. INVESTMENTS (continued)

The movements in the investments balance, excluding loss allowance, are as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance at the beginning of the period / year	**9,568,681**	7,522,494
Purchased during the period / year	**2,489,902**	3,896,845
Disposed during the period / year	**(1,301,717)**	(1,979,511)
Unrealized (loss) / gains during the period / year, net	**(8,934)**	116,561
Accrued interest	**12,283**	12,292
	10,760,215	9,568,681

Movement in loss allowance for investments at amortized cost for the period is as follows:

	30 June 2026 (unaudited)			
	Stage 1 12-month ECL	**Stage 2 ECL not Credit impaired**	**Stage 3 Lifetime ECL credit impaired**	**Total**
Balance at the beginning of the period	**(181)**	**-**	**-**	**(181)**
Reversal for the period	**-**	**-**	**-**	**-**
Balance at the ending of the period	**(181)**	**-**	**-**	**(181)**

	31 December 2025 (audited)			
	Stage 1 12-month ECL	Stage 2 ECL not Credit impaired	Stage 3 Lifetime ECL credit impaired	Total
Balance at the beginning of the year	(220)	-	-	(220)
Charge for the year	39	-	-	39
Balance at the ending of the year	(181)	-	-	(181)

(All amounts in Saudi Riyals thousands unless otherwise stated)

7. TERM DEPOSITS

The term deposits are held with reputable commercial banks and financial institutions. These deposits are predominately in Murabaha structure with a small allocation in Mudaraba structure. They are mostly denominated in Saudi Arabian Riyals and have an original maturity from more than three-months to more than one year and yield financial income at rates ranging from 4.20% to 6.15% per annum (2025: 2.20% to 6.20% per annum). The movements in term deposits during the period ended 30 June 2026 is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance at the beginning of the period before loss allowance	**4,743,836**	6,041,965
Placed during the period / year	**-**	1,100,000
Matured during the period / year	**(573,163)**	(2,695,702)
Commission income earned during the period / year	**117,881**	297,573
Loss allowance	**(761)**	(842)
	4,287,793	4,742,994

Movement in loss allowance for term deposits for the period is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Balance at the beginning of the period / year	**(842)**	(1,423)
Reversal made during the period / year	**81**	581
Balance at end of the period / year	**(761)**	(842)

8. STATUTORY DEPOSIT

As required by Insurance Regulations, the Group deposited an amount equivalent to 10% of its paid-up share capital, amounting to SR 150 million, in a bank designated by regulator. Accrued income on this deposit is payable to Insurance Authority amounting to SR 2.54 million (31 December 2025: SR 7.08 million) and this deposit cannot be withdrawn without approval from Insurance Authority. As requested by the Regulator, the Group has released the accrued income on statutory deposit to Regulator up to 24 February 2026 amounting to SR 8.3 million. The statutory deposit is shown on the statement of financial position net of impairment allowance.

9. FIDUCIARY ASSETS

During the year ended 31 December 2018, after obtaining SAMA's approvals, the Group entered into a Third-Party Administration agreement (TPA) with a customer under which the Group facilitates healthcare services to Customer's employees with specific terms and conditions. The agreement is effective from 1 March 2018. The services are remunerated against administration fees.

In order to fulfil the commitment relating to this agreement, the Group receives funds in advance from the customer to settle anticipated claims from medical service providers. As the Group acts as an agent, the relevant bank balance and related payables at the reporting date, are excluded from the condensed interim condensed consolidated statement of financial position. The assets and liabilities held in fiduciary capacity amounted to SR 204 million as of 30 June 2026 (31 December 2025: SR 221 million).

10. COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies are as follows:

i) There was no material change in the status of legal proceedings as of 30 June 2026 since the last annual consolidated audited financial statements.
ii) As of 30 June 2026, total letters of guarantee issued by banks amounted to SR 196 million (31 December 2025: SR 251 million).
iii) Refer to Note 14 for zakat and income tax related matters.

(All amounts in Saudi Riyals thousands unless otherwise stated)

11. 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 advantageous accessible market for the asset or liability.

a) Determination of fair value and fair value hierarchy

The Group 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.

b) Carrying amounts and fair value

The following table shows the carrying amount and fair value 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 (financial assets and liabilities at amortized cost) as the carrying amount is a reasonable approximation to fair value except for certain term deposits and sukuks at amortized cost for which the difference between carrying amount and the fair value is not material to the interim condensed consolidated financial statements.

	Fair value				
	Level 1	**Level 2**	**Level 3**	**Total**	**Carrying value**
30 June 2026 (unaudited)					
Financial assets measured at fair value:					
- Investment at FVTPL	**13,370**	**3,598,288**	**54,480**	**3,666,138**	**3,666,138**
- Investment at FVOCI – Debt	**3,807,757**	**20,000**	**-**	**3,827,757**	**3,827,757**
- Investment at FVOCI – Equity	**1,629,710**	**701,847**	**-**	**2,331,557**	**2,331,557**
	5,450,837	**4,320,135**	**54,480**	**9,825,452**	**9,825,452**

	Fair value				
	Level 1	Level 2	Level 3	Total	Carrying value
31 December 2025 (audited)					
Financial assets measured at fair value:					
- Investment at FVTPL	17,784	1,859,334	56,008	1,933,126	1,933,126
- Investment at FVOCI – Debt	4,371,891	50,000	-	4,421,891	4,421,891
- Investment at FVOCI – Equity	1,588,715	689,846	-	2,278,561	2,278,561
	5,978,390	2,599,180	56,008	8,633,578	8,633,578

(All amounts in Saudi Riyals thousands unless otherwise stated)

11. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

c) Measurement of fair value

Valuation technique and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair value at 30 June 2026 and 31 December 2025, as well as the significant unobservable inputs used. The fair value used for valuation of Level 2 Sukuks and mutual funds are based on prices quoted on reliable third-party sources.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual funds and unlisted investments	Mutual funds and unlisted equity investments classified as Level 3 are fair valued based on the latest available NAV communicated by the asset manager.	Fair value of underlying assets	The estimated fair value will increase / decrease directly in line with the change in fair value of underlying assets.

Sensitivity analysis:

The impact of change in net assets value reported in level 3 on net income and total equity is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
+/- 5% change in net assets value	**+/- 2,724**	**+/-2,800**

12. OPERATING SEGMENTS

The Group only issues short-term insurance contracts for providing health care services (‘medical insurance’). The Group operates as a mono-line insurer, operating in the Private Medical Insurance (PMI) business. All the insurance operations of the Group are carried out in the Kingdom of Saudi Arabia. For management reporting purposes, the operations are monitored in two groups that are Corporate, Small and Medium Enterprises & Others (SMEs & Others). Corporate segment / customer represents members of large corporations, and all others are considered as SMEs & Others. Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing the performance of operating segments in line with the strategic decisions.

(All amounts in Saudi Riyals thousands unless otherwise stated)

12. OPERATING SEGMENTS (continued)

Segment results do not include investment, other operating expenses, other revenues and other costs. Segment assets and liabilities only include the insurance and reinsurance contract liabilities and assets while the other accounts are not allocated. Consistent with the Group's internal reporting, operating segments have been approved by the management in respect of the Group's activities, assets and liabilities as stated below:

	30 June 2026 (unaudited)		
Operating segments	**Corporate**	**SMEs & Others**	**Total**
Assets			
Asset for incurred claims	**75,455**	-	**75,455**
Asset for remaining coverage	**133,086**	-	**133,086**
Reinsurance contract assets	**208,541**	**-**	**208,541**
Unallocated assets			**17,805,160**
Total assets			**18,013,701**
Liabilities			
Liability for incurred claims	**4,384,162**	**590,296**	**4,974,458**
Liability for remaining coverage	**4,346,292**	**877,351**	**5,223,643**
Insurance contract liabilities	**8,730,454**	**1,467,647**	**10,198,101**
Unallocated liabilities			**2,191,138**
Total liabilities			**12,389,239**

	31 December 2025 (audited)		
Operating segments	Corporate	SMEs & Others	Total
Assets			
Asset for incurred claims	65,610	-	65,610
Asset for remaining coverage	47,804	-	47,804
Reinsurance contract assets	113,414	-	113,414
Unallocated assets			16,989,507
Total assets			17,102,921
Liabilities			
Liability for incurred claims	4,183,515	565,042	4,748,557
Liability for remaining coverage	4,201,788	860,109	5,061,897
Insurance contract liabilities	8,385,303	1,425,151	9,810,454
Unallocated liabilities			1,619,497
Total liabilities			11,429,951

(All amounts in Saudi Riyals thousands unless otherwise stated)

12. OPERATING SEGMENTS (continued)

	Three-month period ended 30 June 2026 (unaudited)			Three-month period ended 30 June 2025 (unaudited)		
	Corporate	**SMEs & Others**	**Total**	Corporate	SMEs & Others	Total
Insurance revenue	**4,642,035**	**657,874**	**5,299,909**	4,113,542	602,175	4,715,717
Insurance service expenses	**(4,481,953)**	**(553,531)**	**(5,035,484)**	(3,975,721)	(508,881)	(4,484,602)
Net expenses from reinsurance contracts held	**(20,217)**	**-**	**(20,217)**	(2,037)	-	(2,037)
Net insurance service result	**139,865**	**104,343**	**244,208**	135,784	93,294	229,078
Commission and income on financial assets at amortized cost			**71,127**			92,148
Commission and income on financial assets at fair value			**144,683**			92,602
Net impairment reversal / (loss) on financial assets			**20**			(179)
Net investment results			**215,830**			184,571
Net insurance and investment results			**460,038**			413,649
Other operating expenses			**(114,420)**			(95,322)
Other revenue			**29,799**			23,655
Other cost			**(14,542)**			(10,153)
Income attributed to the shareholders before zakat and income tax			**360,875**			331,829
Zakat charge			**(22,342)**			(13,627)
Income tax charge			**(31,754)**			(31,949)
Net income attributed to the shareholders after zakat and income tax			**306,779**			286,253

The details of gross written premium are as follows:

	Three-month period ended 30 June 2026 (unaudited)	Three-month period ended 30 June 2025 (unaudited)
Corporates	**4,458,336**	4,293,976
Medium enterprises	**1,005,093**	911,120
Small enterprises	**386,153**	335,781
Micro enterprises	**52,120**	45,497
Individuals	**7,487**	7,415
Total gross written premium	**5,909,189**	5,593,789
Change due to remaining coverage period and expected premium receipts	**(609,280)**	(878,072)
Insurance revenue	**5,299,909**	4,715,717

(All amounts in Saudi Riyals thousands unless otherwise stated)

12. OPERATING SEGMENTS (continued)

	Six-month period ended 30 June 2026 (unaudited)			**Six-month period ended 30 June 2025 (unaudited)**		
	Corporate	**SMEs & Others**	**Total**	Corporate	SMEs & Others	Total
Insurance revenue	**9,243,203**	**1,297,088**	**10,540,291**	7,940,556	1,184,925	9,125,481
Insurance service expenses	**(8,793,583)**	**(1,119,300)**	**(9,912,883)**	(7,515,068)	(989,490)	(8,504,558)
Net expenses from reinsurance contracts held	**(22,330)**	**-**	**(22,330)**	(40,659)	-	(40,659)
Net insurance service result	**427,290**	**177,788**	**605,078**	384,829	195,435	580,264
Commission and income on financial assets at amortized cost			**144,552**			182,136
Commission and income on financial assets at fair value			**267,494**			188,772
Net impairment reversal / (loss) on financial assets			**218**			(120)
Net investment results			**412,264**			370,788
Net insurance and investment results			**1,017,342**			951,052
Other operating expenses			**(236,437)**			(201,742)
Other revenue			**59,185**			45,999
Other cost			**(26,041)**			(19,782)
Income attributed to the shareholders before zakat and income tax			**814,049**			775,527
Zakat charge			**(46,349)**			(36,129)
Income tax charge			**(73,625)**			(72,913)
Net income attributed to the shareholders after zakat and income tax			**694,075**			666,485

The details of gross written premium are as follows:

	Six-month period ended 30 June 2026 (unaudited)	Six-month period ended 30 June 2025 (unaudited)
Corporates	**10,305,203**	9,087,591
Medium enterprises	**2,226,262**	2,123,133
Small enterprises	**804,928**	719,758
Micro enterprises	**95,936**	87,397
Individuals	**18,593**	16,868
Total gross written premium	**13,450,922**	12,034,747
Change due to remaining coverage period and expected premium receipts	**(2,910,631)**	(2,909,266)
Insurance revenue	**10,540,291**	9,125,481

(All amounts in Saudi Riyals thousands unless otherwise stated)

13. RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent major shareholders, Board members and key management personnel of the Group, and companies of which they are principal owners, and any other entities controlled, jointly controlled or significantly influenced by them. Contract pricing policies and terms are approved by the Group's management or where required and applicable, by the Group's Board of Directors. The due from and due to balances of related parties are unsecured, interest free and repayable in cash on demand. Key management personnel are those persons, including executive directors, having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The following are the details of the major related party transactions during the period and their related balances:

Related party	Nature of transaction	Amount of transactions during the period ended income / (expense)		Receivable / (payable) balance as at	
		30 June 2026 (unaudited)	30 June 2025 (unaudited)	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Balances included in insurance contract liabilities					
Shareholders and entities with common directorship	Premium issued	**338,262**	491,316	**17,356**	14,230
Shareholder	Medical costs charged by providers	**(192,736)**	(155,125)	**(22,149)**	(52,826)
				(4,793)	(38,596)
Balances included in reinsurance contract assets					
Entity with common significant shareholder	Reinsurance Premium ceded*	**(255,089)**	(165,397)	**(57,646)**	(56,545)
Balances included in due (to)/from Related Parties					
Shareholders	Expenses recharged (to) / from a related party-net	**(1,992)**	922	**1,556**	1,269
Shareholders	Board and committee members fees	**(1,000)**	(955)	**(1,000)**	-
Entity with common significant shareholder	Trademark fee	**(31,164)**	(22,018)	**(31,164)**	(47,541)
				(30,608)	(46,272)

(All amounts in Saudi Riyals thousands unless otherwise stated)

13. RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

The following are the details of transactions related to term deposits and financial assets at fair value:

Related party	Nature of transaction	Amount of transactions during the period ended		Balance as at	
		30 June 2026 (unaudited)	30 June 2025 (unaudited)	**30 June 2026 (unaudited)**	31 December 2025 (audited)
Entities with common directorship*	(Maturity) / placement of term deposits, net	**(151,342)**	(11,750)	**1,771,250**	1,922,497
Entities with common directorship*	Purchase / (sales) of FVTPL investments, net	**674,896**	152,000	**2,095,816**	1,373,686

* All the reinsurance transactions are with a single related party (a company with a common significant shareholder with the Company). Commission and income on financial assets from entities with common directorship during the period ended 30 June 2026 amounted to SR 102 million (30 June 2025: SR 60 million). Refer note 5.2 for further details.

a. Compensation to key management personnel

The remuneration of the key management personnel during the period ended 30 June is as follows:

	30 June 2026 (unaudited)	30 June 2025 (unaudited)
Short-term benefits	**14,421**	15,466
Long-term benefits	**571**	695
Share based payment transactions	**15,360**	15,796
	30,352	31,957

Short-term benefits include salaries, allowances, annual bonuses and incentives whilst long-term benefits include employees' end of service benefits.

(All amounts in Saudi Riyals thousands unless otherwise stated)

14. ZAKAT AND INCOME TAX

The Group's zakat and tax calculations and corresponding accruals and payments of zakat and tax are based on the ownership percentages as stated in share capital note and in accordance with the relevant provisions of the Saudi Arabian Zakat and Income Tax regulations. Breakdown of zakat and income tax charge for the six-month periods ended 30 June 2026 and 2025 are as follows:

	Six-month period ended 30 June 2026 (unaudited)	Six-month period ended 30 June 2025 (unaudited)
Current zakat charge	**46,349**	36,129
Current tax charge	**73,713**	75,922
Deferred tax income (note 14.a)	**(88)**	(3,009)
	73,625	72,913
	119,974	109,042

a) The reconciliation of deferred tax assets is as follows:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Opening deferred tax asset	**35,232**	33,570
Deferred tax income	**88**	1,662
	35,320	35,232

b) Movements in the Zakat and income tax accrued during the period ended 30 June 2026 and year ended 31 December 2025 respectively are as follows:

	Zakat payable	**Income tax Payable**	**Total 30 June 2026 (unaudited)**	Total 31 December 2025 (audited)
Balance at beginning of the period / year	**327,733**	**60,457**	**388,190**	412,859
Provided during the period / year	**46,349**	**73,713**	**120,062**	208,907
Adjustment for prior years	-	-	-	(33,580)
Payments during the period / year	**(18,214)**	**(87,727)**	**(105,941)**	(199,996)
Balance at end of the period / year	**355,868**	**46,443**	**402,311**	388,190

(All amounts in Saudi Riyals thousands unless otherwise stated)

14. ZAKAT AND INCOME TAX (continued)

c) Status of assessments

Bupa Arabia For Cooperative Insurance Company

The Company has filed its zakat and income tax returns with the ZATCA for the financial years up to and including 2025.

The Company has finalized its zakat and income tax returns with ZATCA for the fiscal years 2008 through 2018. For the 2019 and 2020, the Company settled the assessment during the year ended 31 December 2025 resulting in a reversal of excess provision amounting to SR 33.5 million.

The Company has yet to receive the final assessments for the years ended December 31, 2021, 2022, 2023, 2024 and 2025.

Bupa Arabia For Third Party Administration

The Company has filed its zakat and income tax returns for the financial years up to and including the year 2025 with ZATCA. The returns for the years are still under ZATCA's review.

Health Horizon Medical Care Company

The Company has filed its zakat and income tax returns for the financial years up to and including the year 2025 with ZATCA. The returns for the years are still under ZATCA's review.

15. SHARE CAPITAL

The authorised, issued and paid-up capital of the Group is SR 1,500 million as at 30 June 2026 (31 December 2025: SR 1,500 million) consisting of 150 million shares (31 December 2025: 150 million shares) of SR 10 each. Shareholding structure of the Group is as below:

	30 June 2026 (unaudited)		31 December 2025 (audited)	
	Holding percentage	**Amount**	Holding percentage	Amount
Major shareholders	**48.3%**	**723,825**	48.3%	723,825
General Public	**51.7%**	**776,175**	51.7%	776,175
	100%	**1,500,000**	100%	1,500,000

The total shareholders' equity as of 30 June 2026 for Saudi shareholders is SR 3,220 million (31 December 2025: SR 3,269 million) and foreign shareholder is SR 2,416 million (31 December 2025: SR 2,359 million) after incorporating their respective shareholding percentage and impact of zakat, income tax, reimbursement and other adjustments.

On 29 April 2026, the Board of Directors of the Company has recommended dividend amounting to SR 600 million at SR4 per share for the year ended 31 December 2025 subject to approval of the Extraordinary General Assembly (SR 600 million at SR4 per share for the year ended 31 December 2024). The dividends were approved by the shareholders in the Extraordinary General Assembly meeting held on 30 June 2026. Dividends payable is reported under accrued and other liabilities.

16. STATUTORY RESERVE

As required by the Insurance Regulations, 20% of the shareholders' income shall be set aside as a statutory reserve until this reserve amounts to 100% of the paid-up share capital. The Group carries out this transfer on an annual basis on 31 December. As at 30 June 2026, SR 1,500 million (31 December 2025: SR 1,500 million) had been set aside as a statutory reserve, representing 100% (31 December 2025: 100%) of the paid-up share capital.

17. RISK MANAGEMENT AND CAPITAL MANAGEMENT

Risk is inherent in the Group’s activities but is managed through a process of on-going identification, measurement, and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group’s continuing profitability, and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group’s policy is to monitor business risk through strategic planning process. The strategy considers the impact of market conditions and available expertise on inherent risks to which the Group is exposed. The Group is exposed to insurance, regulatory framework, credit, liquidity, foreign currency, commission rate, and market risk. The risk is managed through a comprehensive risk management structure comprising of the Board, senior management, audit committee, risk committee and internal audit. The risk management policies are consistent with those as disclosed in the annual consolidated financial statements for the year ended 31 December 2025 and there has been no material change in risk grading and credit quality of financial assets from 31 December 2025.

Capital management

Objectives are set by the Board of Directors of the Group to maintain healthy capital ratios to support its business objectives and maximise shareholders’ value.

The Group’s regulatory capital is financed solely by share capital provided by shareholders amounting to SR 1,500 million.

The Group 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 the risk characteristics of the Group’s activities. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue shares.

As per guidelines laid out by Insurance Authority in Article 66 of the Implementing Regulations of the Cooperative Insurance Companies Control Law 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 Authority Implementing Regulations:

a) Minimum Capital Requirement.
b) Premium Solvency Margin.
c) Claims Solvency Margin

The Group has complied with above requirement at each reporting date presented.

18. EARNINGS PER SHARE

The basic earnings per share have been calculated by dividing ‘net income attributed to the shareholders after zakat and income tax’ amounting to SR 306,779 thousand (30 June 2025: SR 286,253 thousand) for the three-month period ended and SR 694,075 thousand (30 June 2025: SR 666,485 thousand) for the six-month period ended by the weighted average number of ordinary shares issued and outstanding amounting to 150 million shares (30 June 2025: 150 million shares) adjusted for treasury shares amounting to 1,840 thousand (30 June 2025: 640 thousand shares) at period end.

The diluted earnings per share have been calculated by dividing ‘net income attributed to the shareholders after zakat and income tax’ SR 306,779 thousand (30 June 2025: SR 286,253 thousand) for the three-month period ended and SR 694,075 thousand (30 June 2025: SR 666,485 thousand) for the six-month period ended by the weighted average number of ordinary shares issued and outstanding amounting to 150 million shares (30 June 2025: 150 million shares) adjusted for the effects of employee shares scheme amounting to 1,840 thousand (30 June 2025: 640 thousand shares) at period end.

19. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements have been approved by the Board of Directors, on 29 July 2026.