

**SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED FINANCIAL INFORMATION AND
INDEPENDENT AUDITORS' REVIEW REPORT
(UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

**SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

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Independent auditors' review report on the interim condensed financial information

To the shareholders of Salama Cooperative Insurance Company (A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Salama Cooperative Insurance Company (the "Company") as of 31 March 2026 and the related interim condensed statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

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

Conclusion

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

For
PricewaterhouseCoopers

Mufaddal A. Ali
Certified Public Accountant
License No. 447



For RSM Allied Accountants
Professional Services

Mohammad A. Mohandes
Certified Public Accountant
License No. 564



11 May 2026
24 Dhu'l-Qi'dah 1447H

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SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 March 2026
(All amounts in Saudi Riyals '000 unless otherwise stated)

	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
Cash and cash equivalents			
Term deposits	5	128,627	282,383
Investments:	6	193,079	93,177
Financial assets at fair value through profit or loss ("FVTPL")	7	26,440	26,190
Financial assets at fair value through other comprehensive income ("FVOCI")	7	72,722	72,722
Financial assets at amortised cost	7	144,365	117,211
Prepaid expenses and other assets		18,470	14,831
Reinsurance contract assets	8	132,862	132,403
Right-of-use assets		11,664	12,737
Property and equipment		5,617	6,064
Intangible assets		4,561	4,089
Statutory deposit	9	45,000	45,000
Accrued commission income on statutory deposit	9	2,560	1,968
TOTAL ASSETS		785,967	808,775
LIABILITIES AND EQUITY			
LIABILITIES			
Insurance contract liabilities	8	477,236	494,150
Accrued expenses and other liabilities		13,080	12,949
Lease liabilities		11,239	15,225
Employee benefit obligations		8,908	8,715
Provision for zakat	10	6,372	5,872
Accrued commission income payable to Insurance Authority	9	2,560	1,968
TOTAL LIABILITIES		519,395	538,879
EQUITY			
Share capital	11	300,000	300,000
Accumulated losses		(104,546)	(101,222)
Fair value reserve for investments		70,799	70,799
Remeasurement reserve of employee benefit obligations		319	319
TOTAL EQUITY		266,572	269,896
TOTAL LIABILITIES AND EQUITY		785,967	808,775



Chief Financial Officer



Chief Executive Officer

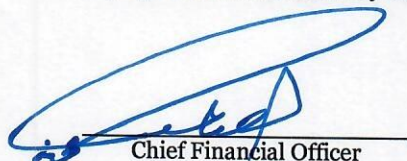


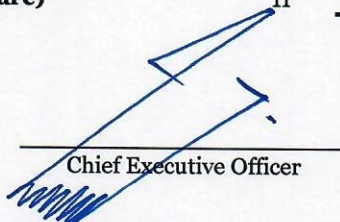
Chairman

The accompanying notes 1 to 26 form an integral part of this interim condensed financial information.

SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF INCOME
(All amounts in Saudi Riyals '000 unless otherwise stated)

		For the three-month period ended 31 March	
		2026	2025
		(Unaudited)	(Unaudited)
	Note		
Insurance revenue	13	161,377	131,883
Insurance service expenses	13	(153,062)	(165,252)
Net expenses from reinsurance contracts	13	(11,409)	(2,282)
Insurance service result from Company's directly written business		(3,094)	(35,651)
Share of surplus from insurance pools	14	377	987
Total insurance service result		(2,717)	(34,664)
Commission income from financial assets not measured at FVTPL		6,276	6,548
Net gains on financial assets measured at FVTPL		250	316
Net impairment reversal on financial assets		-	77
Net investment income		6,526	6,941
Net finance costs from insurance contracts issued		(1,990)	(3,081)
Net finance income from reinsurance contracts held		1,184	1,799
Net insurance finance costs		(806)	(1,282)
Net insurance and investment result		3,003	(29,005)
Other income		7	-
Other operating expenses		(5,834)	(6,633)
Loss for the period attributable to the shareholders before zakat		(2,824)	(35,638)
Zakat	10	(500)	217
Net loss for the period attributable to the shareholders		(3,324)	(35,421)
Basic and diluted losses per share (expressed in Saudi Riyals per share)	11	(0.11)	(1.18)


Chief Financial Officer


Chief Executive Officer

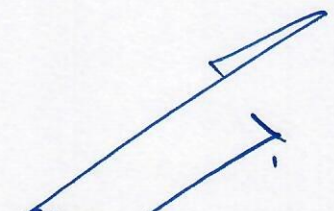

Chairman

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SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
 (All amounts in Saudi Riyals '000 unless otherwise stated)

	For the three-month period ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Net loss for the period attributable to the shareholders	(3,324)	(35,421)
Other comprehensive income <i>Items that will not be reclassified to the interim condensed statement of income</i>		
Net changes in fair value of investment measured at FVOCI – equity instruments	-	2,508
Total comprehensive loss for the period attributable to the shareholders	(3,324)	(32,913)


 Chief Financial Officer

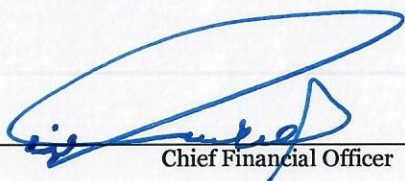

 Chief Executive Officer

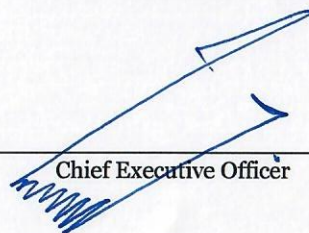

 Chairman

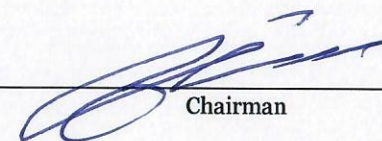
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SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in Saudi Riyals '000 unless otherwise stated)

	Share capital	Accumulated losses	Fair value reserve for investments	Remeasurement reserve of employees benefit obligations	Total equity
Balance as at 31 December 2025 (Audited)	300,000	(101,222)	70,799	319	269,896
Total comprehensive loss for the period:					
Net loss for the period attributable to the shareholders	-	(3,324)	-	-	(3,324)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period attributable to the shareholders	-	(3,324)	-	-	(3,324)
Balance as at 31 March 2026 (Unaudited)	300,000	(104,546)	70,799	319	266,572
Balance as at 31 December 2024 (Audited)	200,000	(5,604)	59,201	729	254,326
Total comprehensive loss for the period:					
Net loss for the period attributable to the shareholders	-	(35,421)	-	-	(35,421)
Other comprehensive income	-	-	2,508	-	2,508
Total comprehensive (loss) / income for the period attributable to the shareholders	-	(35,421)	2,508	-	(32,913)
Transaction with owners of the Company:					
Increase in share capital	100,000	-	-	-	100,000
Transaction costs	-	(4,054)	-	-	(4,054)
Balance as at 31 March 2025 (Unaudited)	300,000	(45,079)	61,709	729	317,359


Chief Financial Officer


Chief Executive Officer

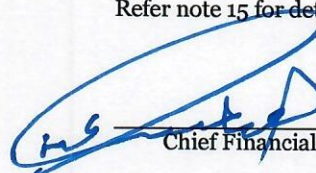

Chairman

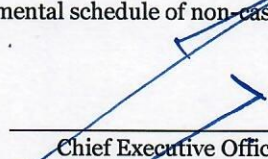
The accompanying notes 1 to 26 form an integral part of this interim condensed financial information.

SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CASH FLOWS
(All amounts in Saudi Riyals '000 unless otherwise stated)

		For the three-month period ended	
		31 March	
		2026	2025
		(Unaudited)	(Unaudited)
Note		(Restated –	Note 24)
CASH FLOWS FROM OPERATING ACTIVITIES			
	Loss for the period attributable to the shareholders before zakat	(2,824)	(35,638)
Adjustments for non-cash items:			
	Depreciation of property and equipment	470	457
	Amortisation of intangible assets	246	150
	Depreciation of right-of-use assets	1,005	1,139
	Finance costs on lease liabilities	147	125
	Loss on termination of lease liabilities	6	-
	Unrealised gain on financial assets measured at FVTPL	(250)	(252)
	Realised gain on investments measured at FVTPL	-	(64)
	Commission income from financial assets not measured at FVTPL	(6,276)	(6,548)
	Net impairment reversal on financial assets	-	(77)
	Provision for employee benefit obligations	452	435
		(7,024)	(40,273)
Changes in operating assets and liabilities:			
	Prepaid expenses and other assets	(3,639)	3,130
	Reinsurance contract assets	(459)	(2,058)
	Insurance contract liabilities	(16,914)	40,804
	Accrued expenses and other liabilities	131	(2,849)
	Cash used in operations	(27,905)	(1,246)
	Commission income received from financial assets not measured at FVTPL	9,206	4,566
	Zakat paid	-	(8,186)
10	Employee benefit obligations paid	(259)	(504)
	Net cash used in operating activities	(18,958)	(5,370)
CASH FLOWS FROM INVESTING ACTIVITIES			
	Term deposits	(102,500)	(97,117)
	Placements in statutory deposit	-	(7,500)
	Payments for purchases of financial assets at amortised cost	(27,492)	-
	Proceeds from sale of financial assets at FVTPL	-	35,553
	Proceeds from maturity of financial assets measured at amortised cost	-	10,014
	Payments for purchase of property and equipment	(23)	(19)
	Payments for purchase of intangible assets	(718)	-
	Net cash used in investing activities	(130,733)	(59,069)
CASH FLOWS FROM FINANCING ACTIVITIES			
	Proceeds from issuance of share capital	-	100,000
11	Transaction costs on the issue of rights shares	-	(4,054)
	Principal elements of lease payments	(3,918)	(184)
	Finance costs paid on lease liabilities	(147)	(125)
	Net cash (used in) / generated from financing activities	(4,065)	95,637
	Net change in cash and cash equivalents	(153,756)	31,198
	Cash and cash equivalents at the beginning of the period	282,383	232,803
	Cash and cash equivalents at the end of the period	128,627	264,001
5			

Refer note 15 for details regarding supplemental schedule of non-cash information.


Chief Financial Officer


Chief Executive Officer


Chairman

The accompanying notes 1 to 26 form an integral part of this interim condensed financial information.

**SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in Saudi Riyals '000 unless otherwise stated)**

1. General

(a) Legal status and principal activities

Salama Cooperative Insurance Company (“the Company”) is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia as per the Ministry of Commerce and Industry’s Resolution number 1121K dated 29 Rabi Al-Thani 1428H (corresponding to 16 May 2007). The Company is registered in Jeddah under Commercial Registration No. 4030169661 dated 6 Jamad Al-Awwal 1428H (corresponding to 23 May 2007).

The registered office address of the Company is:

Salama Tower;
Al Madinah Road
P.O. Box 4020;
Jeddah 21491;
Kingdom of Saudi Arabia.

The objective of the Company is to transact cooperative insurance operations and related activities in accordance with the Law on Supervision of Cooperative Insurance Companies in the Kingdom of Saudi Arabia and its implementing regulations. From 23 November 2023, the Insurance Authority (IA) became the authorised regulator of the insurance industry in Saudi Arabia, however, laws and regulations issued previously by SAMA related to the insurance sector will remain in effect until further instructions are issued by the IA. The Company was listed on the Saudi Stock Exchange on 23 May 2007. The Company started its operations on 1 January 2008. The Company is fully owned by the general public.

(b) Merger agreement

On 26 Sha’ban 1446H (corresponding to 25 February 2025), the Company signed a non-binding Memorandum of Understanding (MoU) with Saudi Enaya Cooperative Insurance Company (“Enaya”), a company incorporated in the Kingdom of Saudi Arabia, to evaluate a potential merger between Enaya and the Company. The Company has received the non-objection of the General Authority for Competition on the completion of the economic concentration resulting from the potential merger. On 20 Safar 1447H (corresponding to 14 August 2025), the Company signed a merger agreement with Enaya, for which approvals from the Insurance Authority, were obtained on 25 Jumada al-Ula 1447H (corresponding to 16 November 2025) and the CMA on 10 Jumada Ath-Thaniyah 1447H (corresponding to 12 December 2025).

The Company obtained the approval from its shareholders in an EOGM held on 15 Rajab 1447H (corresponding to 4 January 2026). However, Enaya’s shareholders voted against the merger at their EOGM on 13 Sha’ban 1447H (corresponding to 01 February 2026), and therefore the merger has not been approved from Enaya’s side. As a result, the merger will not proceed, and the process is considered terminated.

(c) Business performance

During the three-month period ended 31 March 2026, the Company reported a net loss of Saudi Riyals 3.3 million, primarily attributable to losses recognised in the motor line of business, compared to a net loss of Saudi Riyals 35.4 million for the corresponding period ended 31 March 2025. The insurance service result for the motor line remained loss-making during the period; however, the loss was significantly lower compared to the corresponding period in the prior year. Loss from the motor line of business amounted to Saudi Riyals 4.4 million as compared to a loss of Saudi Riyals 29.7 million in the prior period, mainly due to improved insurance revenue from the motor line of business together with a reduction in insurance service expenses compared to the corresponding prior period. During late 2025, management initiated corrective measures focused on enhanced pricing strategies, improved adequacy ratios, and strengthened underwriting discipline. The continuation of these measures during the three-month period ended 31 March 2026 resulted in early improvements in insurance service performance compared to the prior period, particularly within the motor line of business. Management expects that the continued application of these measures will progressively support improved operational results and cash flows over the remainder of 2026.

SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in Saudi Riyals '000 unless otherwise stated)

1. General (continued)

(d) Going concern assessment

The Company has incurred a total loss attributable to the shareholders of Saudi Riyals 3.3 million for the period ended 31 March 2026, and as of that date, its accumulated losses amounted to Saudi Riyals 104.5 million which reached 34.8% of its paid-up share capital as of that date. Also, the Company had net operating cash outflows of Saudi Riyals 19.0 million during the three-month period ended 31 March 2026.

Underwriting performance during the period, particularly in the motor segment, continued to be influenced by competitive pricing, pressures resulting in volatility in underwriting margins. However, during the three-month period ended 31 March 2026, the Company recognised a reversal of loss components in respect of certain contracts, in the motor line of business, reflecting early improvements in underlying profitability following corrective measures initiated in late 2025.

Management continues to closely monitor performance indicators across all lines of business and prevailing market conditions as part of its ongoing oversight. Management has prepared forward-looking projections for the period 2026 to 2028 based on the approved business plan. These projections incorporate assumptions related to pricing adequacy, portfolio mix, expected loss-ratio trends and cost levels. The projections indicate improved operating results and adequate liquidity over the forecast period, assuming underlying economic and business conditions materialise as expected.

Management has performed an assessment of its going concern assumption and based on the on-going detailed business plan of the Company, as mentioned in the preceding paragraph, management believes that the Company will be able to continue its operations and meet its obligations as they fall due within the next 12 months. Management's assessment is based on a number of estimates and assumptions including growth in gross written premiums, better pricing, improvement of loss ratios and certain other measures. Despite the increase in accumulated losses, the Company's solvency margin remained above the minimum regulatory requirement mandated by the Insurance Authority ("IA"). Based on the Company's solvency position, and management's assessment of projected financial performance and liquidity, management believes that the Company's operations shall continue for a foreseeable future under the normal course of business and the going concern basis used in the preparation of this interim condensed financial information, based on the assessment performed by the management, remains appropriate. Accordingly, this interim condensed financial information has been prepared on a going concern basis.

(e) Geopolitical update

During the three-month period ended 31 March 2026, geopolitical developments in the Middle East have led to increased security tensions and economic uncertainty in the region. Management has evaluated the impact of the aforementioned events on the credit risk profile of financial instruments and the measurement of expected premium receipts and recoveries from reinsurer. Further, management has considered the best estimate in the calculation of case reserves forming part of liability for incurred claims under insurance contract liabilities for geopolitical disruptions.

Management continues to closely monitor the evolving geopolitical conditions and their potential impact on the Company's operations, financial position and credit risk profile. As of the date of approval of this condensed interim financial information, the Company's operations have not experienced any significant disruptions and no related claim was reported to the Company. Any necessary refinements to assumptions or enhancements will be incorporated in future reporting periods as additional information becomes available.

SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in Saudi Riyals '000 unless otherwise stated)

2. Basis of preparation

(a) Statement of compliance

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

As required by the Saudi Arabian Insurance Regulations (herein referred to as "Insurance Regulations"), the Company maintains separate books of accounts for "Insurance Operations" and "Shareholders' Operations". Insurance Regulations require a clear segregation of assets, liabilities, income and expenses of the insurance and shareholders operations. Accordingly, assets, liabilities, revenues and expenses attributable to either operation are recorded in the respective accounts.

In preparing the Company's financial statements in compliance with IFRS as endorsed in KSA, the balances and transactions of the insurance operations are amalgamated and combined with those of the shareholders' operations. Inter-operation balances, transactions and unrealised gains and losses, if any, are eliminated in full during amalgamation. The accounting policies adopted for the insurance operations and shareholders' operations are uniform for like transactions and events in similar circumstances.

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

(b) Basis of measurement

The interim condensed financial information is 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 and fair value through other comprehensive income and defined benefits obligations, which are recognised at the present value of future obligation using projected unit credit method.

(c) Basis of presentation

The interim condensed financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as of and for the year ended 31 December 2025. The Company's interim condensed statement of financial position is not presented using a current/non-current classification and is presented in order of liquidity. However, the following balances would generally be classified as current: cash and cash equivalents, term deposits, financial assets at FVTPL, prepaid expenses and other assets, accrued commission income on statutory deposit, accrued expenses and other liabilities, provision for zakat and accrued commission income payable. The following balances would generally be classified as non-current: financial assets at fair value through other comprehensive income, financial assets at amortised cost, right-of-use assets, property and equipment, intangible assets and statutory deposit. The balances which are of mixed in nature i.e. include both current and non-current portions include insurance contract liabilities, reinsurance contract assets / liabilities, lease liabilities and employee benefit obligations.

(d) Functional and presentation currency

This interim condensed financial information is expressed in Saudi Arabian Riyals ("Saudi Riyals") which is the functional and presentation currency of the Company. All financial information presented in Saudi Riyals has been rounded to the nearest thousands, except where otherwise indicated.

(e) Seasonality of operations

There are no seasonal changes that may affect insurance operations of the Company.

(f) Changes in products and services

During the three-month period ended 31 March 2026, there were no significant changes in products or services and their terms of the insurance contracts offered by the Company.

**SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in Saudi Riyals '000 unless otherwise stated)**

3. Material accounting policies

The material accounting policies used in the preparation of this interim condensed financial information are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2025, except as explained below.

3.1 New IFRS, International Financial Reporting and Interpretations Committee's interpretations (IFRIC) and amendments thereof, adopted by the Company

Certain amendments to existing standards became applicable for the current reporting period i.e. for reporting periods beginning on or after 1 January 2025. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments which are described below:

Interpretation	Description	Effective date
Amendment to IFRS 9 and IFRS 7 - Classification and measurement of financial instruments	These amendments: - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).	Annual periods beginning on or after 1 January 2026.
Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'.	Annual periods beginning on or after 1 January 2026.
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: <ul style="list-style-type: none"> • IFRS 1 First-time Adoption of International Financial Reporting Standards; • IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; • IFRS 9 Financial Instruments; • IFRS 10 Consolidated Financial Statements; and • IAS 7 Statement of Cash Flows. 	Annual periods beginning on or after 1 January 2026.

The Company did not identify any impact as a result of these amendments.

3.2 New standards, amendments and interpretations not yet applied by the Company

Certain new standards and interpretations issued but not yet effective up to the date of issuance of the Company's interim condensed financial information are listed below. The listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. Management is in the process of assessing the impact of such new standards and interpretations on its interim condensed financial information. The Company intends to adopt these interpretations when they are effective.

**SALAMA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**
(All amounts in Saudi Riyals '000 unless otherwise stated)

3. Material accounting policies (continued)

3.2 New standards, amendments and interpretations not yet applied by the Company (continued)

Title	Description	Effective date
Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency	<p>These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:</p> <ul style="list-style-type: none"> its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or it is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy. <p>The amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency.</p>	Annual periods beginning on or after 1 January 2027.
IFRS 18 – Presentation and disclosure in financial statements	<p>The new standard on presentation and disclosure in financial statements, require more focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:</p> <ul style="list-style-type: none"> - the structure of the statement of profit or loss; - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. 	Annual periods beginning on or after 1 January 2027.
IFRS 19 Subsidiaries without public accountability: Disclosures	<p>This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.</p> <p>A subsidiary is eligible if:</p> <ul style="list-style-type: none"> - it does not have public accountability; - it has ultimate or intermediate parent that produces consolidated financial statement available for public use that comply IFRS Accounting Standards. 	Annual periods beginning on or after 1 January 2027.

4. Critical accounting judgments, estimates and assumptions

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

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

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5. Cash and cash equivalents

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Bank balances	36,254	144,347
Deposits with original maturity of less than 3 months	92,390	138,053
Expected credit loss allowance	(17)	(17)
	128,627	282,383

Cash at banks is placed with counterparties with sound credit ratings. As at 31 March 2026, deposits were placed with local banks with original maturity of less than three months from the date of placement and commission income ranges from 4.9% to 6.4%.per annum (31 December 2025: rates of 5.4% to 7.3% per annum)

6. Term deposits

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Term deposits	190,000	87,500
Accrued commission income	3,178	5,776
Expected credit loss allowance	(99)	(99)
Balance at end of the period / year	193,079	93,177

Term deposits with original maturity exceeding 3 months are placed with commercial banks registered in Saudi Arabia and yield income at rates of 6.1% to 7.6% per annum (31 December 2025: rates of 6.3% to 7.3% per annum).

7. Investments

(a) *Investments are classified as follows:*

	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Financial assets at fair value through profit or loss	7.1	26,440	26,190
Financial assets at fair value through other comprehensive income	7.2	72,722	72,722
Financial assets at amortised cost	7.3	144,365	117,211
		243,527	216,123

7.1 Financial assets at fair value through profit or loss (“FVTPL”)

Movement in investment in discretionary portfolio is as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at beginning of the period / year	26,190	51,489
Additions during the period / year	-	10,000
Disposal during the period / year	-	(35,513)
Net changes in fair value of investments	250	214
Balance at end of the period / year	26,440	26,190

FVTPL includes investments managed by a fund manager under the discretionary portfolio of investments where all such investments are carried at fair value as provided by the fund managers. The fund managers keep such investments in various equity and real estate funds.

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7. Investments (continued)

7.2 Financial assets at fair value through other comprehensive income (“FVOCI”)

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at beginning of the period / year	72,722	61,124
Changes in fair value of investments	-	11,598
Balance at end of the period / year	72,722	72,722

This represents the Company’s 3.45% (31 December 2025: 3.45%) holding in Najm for Insurance Services Company, a Saudi Closed Joint Stock Company. These shares are un-quoted and are carried at fair value. Refer to Note 17 for details relating to fair valuation techniques and a sensitivity analysis in relation to the significant assumptions.

7.3 Financial assets at amortised cost

	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Saudi Government Sukuk	7.3.1	144,372	116,589
Commission accrued		-	629
Gross amount – total		144,372	117,218
Expected credit loss allowance		(7)	(7)
Net amount – total		144,365	117,211

7.3.1 These represent Sukuks with coupon rates ranging from 2.6% to 4.6% per annum. These Sukuks have maturity dates ranging from 26 July 2027 to 17 March 2037.

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8. Insurance and reinsurance contracts

8.1 Composition of the statement of financial position

An analysis of the amounts presented on the statement of financial position for insurance contracts and reinsurance contracts has been included in the table below:

	Medical	Motor- Compreh ensive	Motor- TPL	Accident & Liability	Engineering	Property	Marine	Total
31 March 2026								
(Unaudited)								
Insurance contracts								
Insurance contract assets	-	-	-	-	-	-	-	-
Insurance contract liabilities	(55,375)	(15,819)	(246,383)	(18,521)	(7,760)	(113,202)	(20,176)	(477,236)
	(55,375)	(15,819)	(246,383)	(18,521)	(7,760)	(113,202)	(20,176)	(477,236)
Reinsurance contracts								
Reinsurance contract assets	1,914	125	914	2,445	5,222	104,215	18,027	132,862
Reinsurance contract liabilities	-	-	-	-	-	-	-	-
	1,914	125	914	2,445	5,222	104,215	18,027	132,862

	Medical	Motor- Compreh ensive	Motor- TPL	Accident & Liability	Engineering	Property	Marine	Total
As at 31								
December 2025								
(Audited)								
Insurance contracts								
Insurance contract assets	-	-	-	-	-	-	-	-
Insurance contract liabilities	(60,662)	(23,779)	(248,156)	(18,538)	(8,821)	(112,761)	(21,433)	(494,150)
	(60,662)	(23,779)	(248,156)	(18,538)	(8,821)	(112,761)	(21,433)	(494,150)
Reinsurance contracts								
Reinsurance contract assets	4,474	71	1,292	3,118	5,548	99,125	18,775	132,403
Reinsurance contract liabilities	-	-	-	-	-	-	-	-
	4,474	71	1,292	3,118	5,548	99,125	18,775	132,403

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8. Insurance and reinsurance contracts (continued)

8.2 Analysis by remaining coverage and incurred claims

8.2.1 Insurance contracts

	As at 31 March 2026 (Unaudited)				Total
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts					
Insurance contract liabilities – opening	256,141	18,157	210,779	9,073	494,150
Insurance contract assets – opening	-	-	-	-	-
Opening balance – net	256,141	18,157	210,779	9,073	494,150
Insurance revenue	(161,377)	-	-	-	(161,377)
Insurance service expenses					
Incurred claims and other incurred insurance service expenses	-	-	115,660	377	116,037
Reversal of losses on onerous contracts	-	(9,926)	-	-	(9,926)
Changes that relate to past service	-	-	20,320	(421)	19,899
Insurance acquisition cashflows amortisation	27,052	-	-	-	27,052
Insurance service expenses	27,052	(9,926)	135,980	(44)	153,062
Finance cost from insurance contracts	-	-	1,886	104	1,990
Total changes in the statement of income	(134,325)	(9,926)	137,866	60	(6,325)
Cashflows					
Premiums received	150,082	-	-	-	150,082
Claims and other incurred insurance service expenses	-	-	(138,657)	-	(138,657)
Insurance acquisition cashflows paid	(22,014)	-	-	-	(22,014)
Total cash inflows / (outflows)	128,068	-	(138,657)	-	(10,589)
Insurance contracts					
Insurance contract liabilities – closing	249,884	8,231	209,988	9,133	477,236
Insurance contract assets – closing	-	-	-	-	-
Closing balance – net	249,884	8,231	209,988	9,133	477,236

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8. Insurance and reinsurance contracts (continued)

8.2 Analysis by remaining coverage and incurred claims (continued)

8.2.1 Insurance contracts (continued)

	As at 31 December 2025				Total
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts					
Insurance contract liabilities – opening	172,383	6,499	222,600	9,259	410,741
Insurance contract assets – opening	-	-	-	-	-
Opening balance – net	172,383	6,499	222,600	9,259	410,741
Insurance revenue	(558,377)	-	-	-	(558,377)
Insurance service expenses					
Incurring claims and other incurred insurance service expenses	-	-	515,153	2,081	517,234
Losses on onerous contracts	-	11,658	-	-	11,658
Changes that relate to past service	-	-	(33,555)	(2,766)	(36,321)
Insurance acquisition cashflows amortisation	103,821	-	-	-	103,821
Insurance service expenses	103,821	11,658	481,598	(685)	596,392
Finance cost from insurance contracts	-	-	7,745	499	8,244
Total changes in the statement of income	(454,556)	11,658	489,343	(186)	46,259
Cashflows					
Premiums received	649,317	-	-	-	649,317
Claims and other incurred insurance service expenses	-	-	(501,164)	-	(501,164)
Insurance acquisition cashflows paid	(111,003)	-	-	-	(111,003)
Total cash inflows / (outflows)	538,314	-	(501,164)	-	37,150
Insurance contracts					
Insurance contract liabilities – closing	256,141	18,157	210,779	9,073	494,150
Insurance contract assets – closing	-	-	-	-	-
Closing balance – net	256,141	18,157	210,779	9,073	494,150

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8. Insurance and reinsurance contracts (continued)

8.2 Analysis by remaining coverage and incurred claims (continued)

8.2.2 Reinsurance contracts held

	As at 31 March 2026 (Unaudited)				Total
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts					
Reinsurance contract assets – opening	(624)	(2)	(125,804)	(5,973)	(132,403)
Reinsurance contract liabilities – opening	-	-	-	-	-
Opening balance – net	(624)	(2)	(125,804)	(5,973)	(132,403)
Allocation of reinsurance premium	19,115	-	-	-	19,115
Amounts recoverable from reinsurers					
Claims recovered and other directly attributable expenses	-	-	(11,192)	5	(11,187)
Loss-recovery on onerous underlying contracts	-	1	-	-	1
Changes that relate to past service	-	-	3,027	453	3,480
Amounts recoverable from reinsurers – net	-	1	(8,165)	458	(7,706)
Finance income from reinsurance contracts	-	-	(1,115)	(69)	(1,184)
Total changes in the statement of income	19,115	1	(9,280)	389	10,225
Cashflows					
Premiums ceded and acquisition cashflows paid	(22,511)	-	(1,400)	-	(23,911)
Fixed commission received	2,257	-	-	-	2,257
Recoveries from reinsurance	-	-	10,970	-	10,970
Total cash (outflows) / inflows	(20,254)	-	9,570	-	(10,684)
Reinsurance contracts					
Reinsurance contract assets – closing	(1,763)	(1)	(125,514)	(5,584)	(132,862)
Reinsurance contract liabilities – closing	-	-	-	-	-
Closing balance – net	(1,763)	(1)	(125,514)	(5,584)	(132,862)

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8. Insurance and reinsurance contracts (continued)

8.2 Analysis by remaining coverage and incurred claims (continued)

8.2.2 Reinsurance contracts held (continued)

	As at 31 December 2025 (Audited)				Total
	Asset for remaining coverage		Asset for incurred claims		
	Excluding Loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts					
Reinsurance contract assets – opening	(16,369)	(558)	(141,369)	(5,837)	(164,133)
Reinsurance contract liabilities – opening	-	-	-	-	-
Opening balance – net	(16,369)	(558)	(141,369)	(5,837)	(164,133)
Allocation of reinsurance premium	68,976	-	-	-	68,976
Amounts recoverable from reinsurers					
Claims recovered and other directly attributable expenses	-	-	(31,986)	(567)	(32,553)
Loss-recovery on onerous underlying contracts	-	556	-	-	556
Changes that relate to past service	-	-	12,563	744	13,307
Amounts recoverable from reinsurers – net	-	556	(19,423)	177	(18,690)
Finance income from reinsurance contracts	-	-	(4,745)	(313)	(5,058)
Total changes in the statement of income	68,976	556	(24,168)	(136)	45,228
Cashflows					
Premiums ceded and acquisition cashflows paid	(63,035)	-	-	-	(63,035)
Fixed commission received	9,804	-	-	-	9,804
Recoveries from reinsurance	-	-	39,733	-	39,733
Total cash (outflows) / inflows	(53,231)	-	39,733	-	(13,498)
Reinsurance contracts					
Reinsurance contract assets – closing	(624)	(2)	(125,804)	(5,973)	(132,403)
Reinsurance contract liabilities – closing	-	-	-	-	-
Closing balance – net	(624)	(2)	(125,804)	(5,973)	(132,403)

9. Statutory deposit

In accordance with Article 58 of the Insurance Implementing Regulations of Insurance Authority (IA), the Company is required to maintain a statutory deposit of not less than 10% of its paid-up capital. The statutory deposit is maintained with a Saudi Arabian bank. Accrued income on this deposit is payable to IA amounting to Saudi Riyals 2.6 million (31 December 2025: Saudi Riyals 2.0 million) and this deposit cannot be withdrawn without approval from IA.

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10. Zakat

Significant components of zakat base of the Company attributable to the Saudi shareholders, which are subject to adjustment under zakat and income tax regulations, are shareholders' equity at the end of the year, the ending balance of the liabilities classified as non-current and the closing balance of the non-current deductible assets.

(a) *Movements in provision during the period / year*

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	5,872	30,367
Charge for the period / year	500	4,167
Prior period reversals	-	(2,647)
	500	1,520
Paid during the period / year	-	(26,015)
Balance at the end of the period / year	6,372	5,872

(b) *Status of zakat assessments*

The Company submitted the Zakat declaration up to the year ended 31 December 2025 and obtained the necessary Zakat certificate up to 30 April 2027.

There is no change in the status of the open assessments of the Company since 31 December 2025.

11. Share capital and basic and diluted losses per share

During the year ended 31 December 2025, the Company completed its right issue of Saudi Riyals 100 million consisting of 10 million new shares of Saudi Riyals 10 each. Accordingly, the authorized, issued and paid-up capital of the Company was Saudi Riyals 300 million at 31 March 2026 (31 December 2025: Saudi Riyals 300 million) consisting of 30 million shares (31 December 2025: 30 million shares) of Saudi Riyals 10 each.

Losses per share for the three-month period ended 31 March 2026 and 2025 have been calculated by dividing the net loss for the respective periods attributable to the shareholders by the weighted average number of ordinary shares at the reporting date. Diluted earnings per share is not applicable to the Company.

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

	Three-month period ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Net loss for the period attributable to the shareholders	(3,324)	(35,421)
Weighted average number of ordinary shares	30,000	30,000
Basic and diluted losses per share	(0.11)	(1.18)

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12. Commitments and contingencies

- (a) The Company operates in the insurance industry and is subject to legal proceedings in the ordinary course of business. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings. The Company, based on in-house legal advice, does not believe that such proceedings (including litigations) will have a material effect on its results and financial position.
- (b) The Company's bankers have given guarantees to non-government customers amounting to Saudi Riyals 8.2 million (31 December 2025: Saudi Riyals 2.2 million) in respect of motor insurance.

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13. Insurance revenue and expenses

An analysis of insurance revenue, insurance service expenses and net income / (expenses) from reinsurance contracts held by portfolio of contracts for the three-month period ended 31 March 2026 and 31 March 2025 is included in following tables respectively. Additional information on amounts recognised in interim condensed statement of income is included in the insurance and reinsurance contract balances reconciliation.

For the three-month period ended 31 March 2026 (Unaudited)

	Medical	Motor-Comprehensive	Motor-TPL	Accident & Liability	Engineering	Property	Marine	Total
Insurance revenue from contracts measured under PAA	43,766	12,688	88,069	6,514	2,991	4,988	2,361	161,377
Insurance revenue – total	43,766	12,688	88,069	6,514	2,991	4,988	2,361	161,377
Incurred claims and other incurred insurance service expenses	(28,317)	(9,005)	(73,873)	(960)	(385)	(2,544)	(953)	(116,037)
Reversal of losses / (losses) on onerous contracts	188	2,931	6,868	-	(61)	-	-	9,926
Changes that relate to past service	(2,405)	(1,330)	(14,759)	(2,140)	664	(768)	839	(19,899)
Insurance acquisition cash flows amortisation	(9,122)	(2,548)	(12,216)	(1,270)	(540)	(936)	(420)	(27,052)
Insurance service expenses – total	(39,656)	(9,952)	(93,980)	(4,370)	(322)	(4,248)	(534)	(153,062)
Allocation of reinsurance premium paid – contracts measured under the PAA	(7,892)	(266)	(714)	(3,033)	(2,115)	(3,493)	(1,602)	(19,115)
Amounts recoverable from reinsurers								
Claims recovered and other directly attributable expenses	6,288	72	590	3	855	2,344	1,035	11,187
Loss-recovery on onerous underlying contracts	-	(1)	-	-	-	-	-	(1)
Changes to amounts recoverable for incurred claims	245	(30)	(861)	27	(1,370)	(341)	(1,150)	(3,480)
Amounts recoverable from reinsurers – net	6,533	41	(271)	30	(515)	2,003	(115)	7,706
Net expenses from reinsurance contracts – total	(1,359)	(225)	(985)	(3,003)	(2,630)	(1,490)	(1,717)	(11,409)
Insurance service result from Company's directly written business	2,751	2,511	(6,896)	(859)	39	(750)	110	(3,094)
Share of surplus from insurance pools	-	-	-	-	-	-	-	377
Total insurance service result	2,751	2,511	(6,896)	(859)	39	(750)	110	(2,717)

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13. Insurance revenue and expenses (continued)

For the three-month period ended 31 March 2025 (Unaudited)

	Medical	Motor- Comprehensive	Motor-TPL	Accident & Liability	Engineering	Property	Marine	Total
Insurance revenue from contracts measured under PAA	24,057	15,042	73,812	6,830	3,533	6,258	2,351	131,883
Insurance revenue – total	24,057	15,042	73,812	6,830	3,533	6,258	2,351	131,883
Incurred claims and other incurred insurance service expenses	(22,772)	(16,749)	(78,701)	(2,274)	(783)	(13,500)	(1,208)	(135,987)
Losses on onerous contracts	(1,286)	(1,576)	(4,430)	-	-	-	-	(7,292)
Changes that relate to past service	4,759	2,860	(4,457)	515	241	532	863	5,313
Insurance acquisition cash flows amortisation	(8,082)	(4,878)	(9,679)	(1,784)	(841)	(1,455)	(567)	(27,286)
Insurance service expenses – total	(27,381)	(20,343)	(97,267)	(3,543)	(1,383)	(14,423)	(912)	(165,252)
Allocation of reinsurance premium paid – contracts measured under the PAA	(3,878)	(823)	(3,018)	(2,295)	(2,192)	(4,425)	(1,438)	(18,069)
Amounts recoverable from reinsurers								
Claims recovered and other directly attributable expenses	(9)	2,902	17,120	375	679	11,274	647	32,988
Loss-recovery on onerous underlying contracts	-	(313)	(91)	-	-	-	-	(404)
Changes to amounts recoverable for incurred claims	2,770	(2,650)	(14,055)	(559)	(444)	(990)	(869)	(16,797)
Amounts recoverable from reinsurers – net	2,761	(61)	2,974	(184)	235	10,284	(222)	15,787
Net expenses from reinsurance contracts – total	(1,117)	(884)	(44)	(2,479)	(1,957)	5,859	(1,660)	(2,282)
Insurance service result from Company's directly written business	(4,441)	(6,185)	(23,499)	808	193	(2,306)	(221)	(35,651)
Share of surplus from insurance pools	-	-	-	-	-	-	-	987
Total insurance service result	(4,441)	(6,185)	(23,499)	808	193	(2,306)	(221)	(34,664)

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14. Share of surplus from insurance pools

Hajj and Umrah scheme

This represents the Company's share in the surplus for general accident product arising from the Hajj and Umrah scheme. The Company with twenty-seven other insurance companies operating in the Kingdom of Saudi Arabia, entered into an agreement with CCI effective from 1 January 2020. The compulsory Umrah product is offered by the ministry and approved by SAMA for insurance of pilgrims coming from outside of the Kingdom of Saudi Arabia except for citizens of the Gulf Cooperation Council countries. This covers general accidents of the pilgrims entering the Kingdom of Saudi Arabia to perform Umrah. The agreement terms are for 4 years starting from 1 January 2020 and it is renewable for another four years subject to the terms and conditions of the agreement. There is no renewal to the agreement since 2024 as the aforementioned arrangement has been discontinued.

Inherent Defects Insurance

This represents the Company's share of surplus 1.28% in the Inherent Defects Insurance ("IDI") product. On June 25, 2020, a Joint Venture agreement was signed among thirteen insurance companies ("Participating Companies") operating in Kingdom of Saudi Arabia for IDI product, based on the SAMA approval authorizing Malath Cooperative Insurance Company ("Malath") as the leading company ("Operator"), to manage the IDI program on behalf of the participating insurance companies, selling the product and providing its insurance coverage by creating joint insurance portfolios. Malath exclusively managed the portfolio during the period of validity of the IDI agreement of five years from issue date. The agreement expired during the three-month period ended 31 March 2026. Effective 24 June 2025, Tawuniya Cooperative Insurance Company has been appointed as the new operator for IDI. Following an increase in the number of participants from thirteen to seventeen, the Company's share has now changed to 0.15%.

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

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

The Company along with three other insurance companies operating in the Kingdom of Saudi Arabia, entered into an agreement with Al-Etihad Cooperative Insurance Company, effective from 3 November 2024. This compulsory product covers defaults of entities in paying the rights and entitlements of non-Saudi employees in private sector entities offered by the "Ministry of Human Resources and Social Development" through IA. The agreement is valid for an initial term of five years, starting from 3 November 2024, and renewable for another five years, subject to the terms and conditions of the agreement.

15. Supplemental schedule of non-cash information

	Note	For the three-month period ended	
		31 March	
		2026	2025
		(Unaudited)	(Unaudited)
Additions to right-of-use assets and lease liabilities		62	-
Net changes in fair value of investment measured at FVOCI	7	-	2,508

16. Related party transactions and balances

Related parties represent shareholders with significant influence, directors and key management personnel (KMP) of the Company, and entities controlled or jointly controlled by such shareholders and KMP. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors. The due to balances of related parties are unsecured, interest free and repayable in cash on demand. The following are the details of the major related party transactions during the year and the related balances:

Entities controlled, jointly controlled or significantly influenced by member of board of directors	Nature of transactions	Amount of transactions for the three-month period ended	
		31 March 2026	31 March 2025
		(Unaudited)	(Unaudited)
Al Mamoon Insurance Brokers	Commissions incurred	-	1,229

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16. Related party transactions and balances (continued)

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly and comprise directors, top management executives including the Chief Executive Officer and the Chief Financial Officer of the Company. The due from and due to balances of related parties are unsecured, interest free and repayable in cash on demand. Compensation to key management personnel is based on employment terms.

The following table shows the compensation of the key management personnel for the period:

	Three-month period ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Short-term benefits	1,401	2,541
Long-term benefits	403	188
	1,804	2,729
Remuneration to those charged with governance – Board of Directors	53	36
Remuneration to those charged with governance – Board Committees	53	42

Short-term benefits include salaries, allowances, annual bonuses and incentives whilst long-term benefits include employee benefit obligations.

Employee benefit obligations payable to key management personnel as at 31 March 2026 amounted to Saudi Riyals 2.4 million (31 December 2025: Saudi Riyals 1.7 million).

17. 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 these financial statements.

(a) 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. The Company ascertains the Level 3 fair values based on a valuation technique which is primarily derived by net assets value of the respective investee at the period end.

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17. Fair values of financial instruments (continued)

(b) Carrying amounts and fair value

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

31 March 2026 – (Unaudited)	Level 1	Level 2	Level 3	Total
Investment measured at fair value through other comprehensive income (FVOCI)				
Equity	-	-	72,722	72,722
Investment measured at fair value through profit or loss (FVTPL)				
Discretionary portfolio	-	-	26,440	26,440
	-	-	99,162	99,162
31 December 2025 – (Audited)	Level 1	Level 2	Level 3	Total
Investment measured at fair value through other comprehensive income (FVOCI)				
Equity	-	-	72,722	72,722
Investment measured at fair value through profit or loss (FVTPL)				
Discretionary portfolio	-	-	26,190	26,190
	-	-	98,912	98,912

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

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

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17. Fair values of financial instruments (continued)

(b) *Carrying amounts and fair value* (continued)

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

Cash and cash equivalents, term deposits, statutory deposit, accrued income on statutory deposits, corporate sukuks and the financial liabilities except employee benefit obligations are measured at amortised cost.

There were no transfers between levels of the fair value hierarchy for the period ended 31 March 2026 and year ended 31 December 2025. Additionally, there were no changes in the valuation techniques. Furthermore, there were no transfers into and out of level 3 measurements.

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

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	98,912	87,394
Additions during the period / year	-	10,000
Disposals during the period / year	-	(10,168)
Fair value gain	250	11,686
Balance at the end of the period / year	99,162	98,912

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17. Fair values of financial instruments (continued)

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

	Fair value		Unobservable inputs		Range of inputs		Relationship of Unobservable input to Fair value
	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2026 (Unaudited)	31 December 2025 (Audited)	
Unquoted equity investment in Najm	72,722	72,722	Revenue growth rate	Revenue growth rate	8.74%	8.74%	Reducing the revenue growth rate by 100 basis points, would decrease the fair value by Saudi Riyals 1.14 (2025: Saudi Riyals 1.14 million).
			WACC	WACC	17.00%	17.00%	Increasing the WACC by 100 basis points, would decrease the fair value by Saudi Riyals 1.86 million (2025: Saudi Riyals 1.86 million).
			Terminal value growth rate	Terminal value growth rate	1.50%	1.50%	Reducing the terminal value growth rate to 0.5%, would decrease the fair value by Saudi Riyals 1.06 million. (2025: Saudi Riyals 1.06 million)
			EV/EBITDA multiple	EV/EBITDA multiple	7	7	Reducing the EV/EBITDA multiple to 6.0, would decrease the fair value by Saudi Riyals 1.44 million (2025: Saudi Riyals 1.44 million).

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

(e) Valuation process

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

- The discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- The terminal value growth rate is derived from publicly available databases.
- Revenue growth rate is estimated based on Company's own historical results and future projections.
- EV/EBITDA multiple is based on private precedent transactions.

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18. Risk management

Risk governance

The Company's risk governance is manifested in a set of established policies, procedures and controls which uses the existing organisational structure to meet strategic targets. The Company's philosophy revolves on willing and knowledgeable risk acceptance commensurate with the risk appetite and strategic plan approved by the Board of Directors of the Company. The Company is exposed to insurance, reinsurance, regulatory framework, credit, liquidity, foreign currency, commission rate, and market risk.

Risk management structure:

A cohesive organisational structure is established within the Company in order to identify, assess, monitor, and control risks.

Board of directors:

The apex of risk governance is the centralised oversight of Board of Directors providing direction and the necessary approvals of strategies and policies in order to achieve defined corporate goals.

Audit committee and internal audit department:

The internal audit department performs risk assessments with senior management annually. The internal audit department examines both adequacy of procedures and the Company's compliance with the procedures through regular audits. Audit findings and recommendations are reported directly to the Audit Committee.

Senior management:

Senior management is responsible for the day-to-day operations towards achieving the strategic goals within the Company's pre-defined risk appetite.

Risk management committee:

The Board of Directors of the Company has constituted a Risk Management Committee, which oversees the risk management function of the Company and report to Board on a periodic basis. This committee operates under framework established by the Board of Directors.

The primary objective of the Company's risk and financial management framework is to protect the Company from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities.

The risks under all insurance contracts issued, reinsurance contracts held by the Company and the risk management policies are consistent with those as disclosed in the annual financial statements for the year ended 31 December 2025.

19. Capital management

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

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

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

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

- Minimum Capital Requirement
- Premium Solvency Margin
- Claims Solvency Margin

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19. Capital management (continued)

The equity as at 31 March 2026 consists of Company's regulatory capital which is financed solely by paid-up share capital of Saudi Riyals 300 million, accumulated losses of Saudi Riyals 104.5 million, fair value revaluation reserve of Saudi Riyals 70.8 million and remeasurement reserve of employee benefit obligations of Saudi Riyals 0.3 million (31 December 2025: paid-up share capital of Saudi Riyals 300 million, accumulated losses of Saudi Riyals 101.2 million, fair value revaluation reserve of Saudi Riyals 70.8 million and remeasurement reserve of employee benefit obligations of Saudi Riyals 0.3 million), in the statement of financial position.

The amendment made to the Co-operative Insurance Companies Law in accordance with the Royal Decree (M/12) dated 23/1/1443H (corresponding to 01/09/2021) requires the minimum capital of insurance companies to be Saudi Riyals 300 million.

In the opinion of the Board of Directors, the Company has fully complied with the externally imposed capital requirements as at 31 March 2026.

20. Operating segments

Operating segments are identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Operating Decision Maker (CODM) 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 CODM is measured in a manner consistent with that in the statement of income. Segment assets and liabilities comprise operating assets and liabilities.

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 31 December 2025.

Segment assets do not include cash and cash equivalents, term deposits, investments, prepaid expenses and other assets, property and equipment, intangible assets, statutory deposit and accrued income on statutory deposit. Accordingly, these are included in unallocated assets.

Segment liabilities do not include accrued expenses and other liabilities, provision for zakat, employee benefit obligations and accrued commission income payable to Insurance Authority. Accordingly, these are included in unallocated liabilities.

These unallocated assets and liabilities are not reported to CODM under related segments and are monitored on a centralised basis. For management reporting purposes, the Company is organised into business units on the basis of products and services offered by the Company.

The segment information provided to the Company's Board of Directors for the reportable segments for the Company's total assets and liabilities at 31 March 2026 and 31 December 2025, its total revenues, expenses, and net income for the three-month period then ended 31 March 2026 and 31 March 2025, are as follows:

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20. Operating segments (continued)

**For the three-month period ended 31
March 2026 (Unaudited)**

	Medical	Motor	Others	Total
Insurance revenue	43,766	100,757	16,854	161,377
Insurance service expenses	(39,656)	(103,932)	(9,474)	(153,062)
Net expenses from reinsurance contracts	(1,359)	(1,210)	(8,840)	(11,409)
Insurance service result from Company's directly written business	2,751	(4,385)	(1,460)	(3,094)
Share of surplus from insurance pools	-	-	-	377
Total insurance service result	2,751	(4,385)	(1,460)	(2,717)
Commission income from financial assets not measured at FVTPL				6,276
Net gains on investments measured at FVTPL				250
Net impairment reversal on financial assets				-
Net investment income				6,526
Net finance costs from insurance contracts issued	(129)	(581)	(1,280)	(1,990)
Net finance income from reinsurance contracts held	17	22	1,145	1,184
Net insurance finance costs	(112)	(559)	(135)	(806)
Net insurance and investment result				3,003
Other operating expenses				(5,827)
Loss for the period attributable to the shareholders before zakat				(2,824)
Zakat expense				(500)
Net loss for the period attributable to the shareholders				(3,324)

**For the three-month period ended 31
March 2025 (Unaudited)**

	Medical	Motor	Others	Total
Insurance revenue	24,057	88,854	18,972	131,883
Insurance service expenses	(27,381)	(117,610)	(20,261)	(165,252)
Net expenses from reinsurance contracts	(1,117)	(928)	(237)	(2,282)
Insurance service result from Company's directly written business	(4,441)	(29,684)	(1,526)	(35,651)
Share of surplus from insurance pools	-	-	-	987
Total insurance service result	(4,441)	(29,684)	(1,526)	(34,664)
Commission income from financial assets not measured at FVTPL				6,548
Net losses on investments measured at FVTPL				316
Net impairment reversal on financial assets				77
Net investment income				6,941
Net finance costs income from insurance contracts issued	(141)	(1,150)	(1,790)	(3,081)
Net finance income from reinsurance contracts held	-	180	1,619	1,799
Net insurance finance costs	(141)	(970)	(171)	(1,282)
Net insurance and investment result				(29,005)
Other operating expenses				(6,633)
Loss for the period attributable to the shareholders before zakat				(35,638)
Zakat expense				217
Net loss for the period attributable to the shareholders				(35,421)

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20. Operating segments (continued)

As at 31 March 2026 (Unaudited)

	<u>Medical</u>	<u>Motor</u>	<u>Others</u>	<u>Total</u>
Assets				
Reinsurance contract assets	1,914	1,039	129,909	132,862
Unallocated assets	-	-	-	653,105
Total assets				785,967
Liabilities				
Insurance contract liabilities	55,375	262,202	159,659	477,236
Unallocated liabilities	-	-	-	42,159
Total liabilities				519,395

As at 31 December 2025 (Audited)

	<u>Medical</u>	<u>Motor</u>	<u>Others</u>	<u>Total</u>
Assets				
Reinsurance contract assets	4,474	1,363	126,566	132,403
Unallocated assets	-	-	-	676,372
Total assets				808,775
Liabilities				
Insurance contract liabilities	60,662	271,935	161,553	494,150
Unallocated liabilities	-	-	-	44,729
Total liabilities				538,879

21. Surplus distribution

As required by the Implementing Regulations and the by-laws of the Company, surplus arising from the Insurance Operations is distributed as follows:

Transfer to Shareholders' operations	90%
Transfer to Policyholders payable	10%
	<u>100%</u>

In case of deficit arising from insurance operations, the entire deficit is allocated and transferred to shareholders' operations.

22. Gross written premium

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

Breakdown of GWP	For the three-month period ended 31 March 2026			
	(Unaudited)			
	Medical	Motor	Others	Total
Individual	6,388	93,936	1,371	101,695
Large	8,578	1,671	4,785	15,034
Medium	1,269	2,267	7,538	11,074
Small	23,924	597	2,494	27,015
Very small	3,309	1,562	2,246	7,117
Total	43,468	100,033	18,434	161,935

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22. Gross written premium (continued)

Breakdown of GWP	For the three-month period ended 31 March 2025			
	(Unaudited)			
	Medical	Motor	Others	Total
Individual	778	72,038	1,180	73,996
Large	12,082	14,390	9,649	36,121
Medium	4,226	3,794	4,224	12,244
Small	3,440	3,357	2,379	9,176
Very small	30,816	1,484	1,136	33,436
Total	51,342	95,063	18,568	164,973

23. Net written premium

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

Item	For the three-month period ended 31 March 2026			
	(Unaudited)			
	Medical	Motor	Others	Total
Gross written premium	43,468	100,033	18,434	161,935
Reinsurance premium ceded – globally (including excess of loss)	(7,892)	(687)	(9,988)	(18,567)
Reinsurance premium ceded – locally (including excess of loss)	-	(294)	(2,915)	(3,209)
Net written premium - total	35,576	99,052	5,531	140,159

Item	For the three-month period ended 31 March 2025			
	(Unaudited)			
	Medical	Motor	Others	Total
Gross written premium	51,342	95,063	18,568	164,973
Reinsurance premium ceded – globally (including excess of loss)	(3,785)	(767)	(10,241)	(14,793)
Reinsurance premium ceded – locally (including excess of loss)	(2)	(254)	(2,568)	(2,824)
Net written premium - total	47,555	94,042	5,759	147,356

24. Comparative figures

During the three-month period ended 31 March 2026, management of the Company reassessed the presentation of certain transactions and concluded that a reclassification is required to comply with the requirements of International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”). Accordingly, management has restated the comparative interim condensed financial information as summarised below.

In accordance with International Accounting Standard 7 - Statement of Cash Flows (“IAS 7”), as endorsed in the Kingdom of Saudi Arabia, all cash received from commission income on financial assets not measured at FVTPL should be presented separately within operating activities in the statement of cash flows and commission income earned from such financial assets should be included as non cash transaction adjustment within operating activities. Previously, only commission income received from Sukuks which are measured at amortised cost was separately disclosed in investing activities, and commission income earned and received on other financial assets not measured at FVTPL were omitted. Management has corrected this error by separately presenting all commission income earned and received in operating activities which includes commission income received from Sukuks to ensure compliance with IAS 7 as detailed below.

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24. Comparative figures (continued)

	<i>Previously reported</i>	<i>Restatement</i>	<i>Restated amount</i>
<i>Interim condensed statement of cashflows</i>			
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>For the three-month period ended 31 March 2025</i>			
Adjustments for non-cash items:			
Commission income from investments measured at amortised cost	(594)	594	-
Commission income from financial assets not measured at FVTPL	-	(6,548)	(6,548)
	<u>(594)</u>	<u>(5,954)</u>	<u>(6,548)</u>
Cash used in operations	4,708	(5,954)	(1,246)
Commission income received from financial assets not measured at FVTPL	-	4,566	4,566
Net cash used in operating activities	<u>(3,982)</u>	<u>(1,388)</u>	<u>(5,370)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Term deposits	(99,668)	2,551	(97,117)
Commission income received from financial assets at amortised cost	1,163	(1,163)	-
Net cash used in investing activities	<u>(60,457)</u>	<u>1,388</u>	<u>(59,069)</u>

The reclassification had no impact on the net change in cash and cash equivalents in the interim condensed statement of cash flows, interim condensed statement of financial position, interim condensed statement of comprehensive income, or interim condensed statement of changes in equity.

25. Subsequent events

There have been no significant subsequent events since the period end, that would require disclosures or adjustments in this interim condensed financial information.

26. Approval of the interim condensed financial information

The interim condensed financial information has been approved by the Board of Directors 4 May 2026.