ARABIAN SHIELD COOPERATIVE INSURANCE COMPANY

(A SAUDI JOINT STOCK COMPANY)

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

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COMPANY DETAILS

Chairman

HH Prince Naif Bin Sultan Bin Saud Al Kabeer

Vice Chairman

Mr. Sameer Al Wazzan

Board of Directors

HH Prince Naif Bin Sultan Bin Saud Al Kabeer
Mr. Sameer Al Wazzan
Mr. Abdallah Al Obeikan
Mr. Taha Mohammed Azhari
Mr. Mohammed Bin Ali
Mr. Raed Al Saif
Mr. Abdullah Al Meshal
Mr. Adel Abalkheel
Mr. Saud Bajbair

Chief Executive Officer

Mr. Bassel Al Abdulkarim

Board Secretary

Mr. Abdulaziz Bin Saeed

Head Office

Al-Wurud District – King Abdulaziz bin Abdulrahman Road
Building No. 7184
Postal Code 12252 – Additional No. 4388
Riyadh, Kingdom of Saudi Arabia

Telephone	+ 966 11 250 5400
Website	www.arabianshield.com

Commercial Registration

CR No. 1010234323

Principal Bankers

Saudi National Bank (SNB)
Riyadh, Saudi Arabia

Auditors

PKF Al Bassam Chartered Accountants
Member PKF Global
Riyadh, Saudi Arabia

Professional Consultants
Member Forvis Mazars
Riyadh, Saudi Arabia

PKF Al Bassam
Chartered Accountants
As Sulimaniyah - Prince Abdulaziz Ibn Musaid Street
P. O. Box 69658 - Riyadh 11557
Kingdom of Saudi Arabia
Commercial Registration: 1010385804

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Professional Consultants

Independent Auditors' Report on the Audit of the Financial Statements

To the Shareholders of Arabian Shield Cooperative Insurance Company (A Saudi Joint Stock Company)

Opinion

We have audited the financial statements of Arabian Shield Cooperative Insurance Company– a Saudi Joint Stock Company ("the Company"), which comprise the statement of financial position as at 31 December 2025, and the related statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting 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") (referred to as "IFRS as endorsed in Kingdom of Saudi Arabia").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the requirements of International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), that are relevant to our audit of the Company's financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PKF Al Bassam
Chartered Accountants

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Professional Consultants

Independent Auditors' Report on the Audit of the Financial Statements
To the Shareholders of Arabian Shield Cooperative Insurance Company
(A Saudi Joint Stock Company) (Continued)

Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the key audit matter

Valuation of Insurance Contract Liabilities
As at 31 December 2025, total insurance contract liabilities amount to SR 2,971 million, of which there are two components liability for remaining coverage ("LRC") and the liability for incurred claims ("LIC").
 	
A key element of the valuation under the measurement approach is the present value of future cash flows ("PVFCFs") included in the LRC for contracts measured under VFA and the LIC for contracts measured under the PAA.
 	
The determination of the PVFCFs represents the Company's expectations regarding future cash flows that will arise as the entity fulfils insurance contracts and involves actuarial models and several assumptions made by management. Its accuracy is dependent on the input data being correct and requires management to apply significant judgements, make significant estimates and use actuarial models. The risk of error arises as a result of inappropriate choice of actuarial methodologies, techniques and assumptions. Management used an external actuary to assist them in the aforementioned determination.
 	
As a result of all the factors, we considered the valuation of PVFCFs included in LRC for contracts measured under VFA and the LIC for contracts measured under the PAA as a key audit matter due to the significant judgements applied and estimates made by management.
 	
Refer to notes 3 and 2(e) for accounting policy and significant accounting judgements, estimates and assumptions adopted by the Company and note 4 for the details of insurance contract liabilities.
	We performed the following procedures:
	• Understood the control activities over the Company's process for determining insurance contract liabilities, and for certain control activities in relation to claim processing assessed whether they were appropriately designed and operating effectively through testing a sample of transactions;
	• Evaluated the competence, capabilities and objectivity of the management's actuarial expert based on their professional qualifications and experience and assessed their independence;
	• Performed substantive tests, on a sample basis, on the amounts recorded for claims notified and paid; including comparing the outstanding claims amount to appropriate source documentation;
	• Assessed the integrity of data used as inputs and tested on sample basis, the accuracy of key underlying data utilised in estimating the insurance contract liabilities;
	• In addition, with the assistance of our actuarial specialists, we:
	  • Evaluated the Company's actuarial practices and provisions established, including the actuarial report issued by management's expert;
	  • Assessed the calculation methods and the models used;
	  • Assessed key actuarial assumptions including loss ratios, claims development factors, mortality rates, lapse rates, risk adjustments and discount rates;
	  • Determined if the estimates applied in the current and prior year were consistent;
	  • Evaluated the application of the variable fee model for specific group of contracts. This included assessing the CSM initially recognised on a sample basis and analysed amortization in the year.
	• Assessed the adequacy and appropriateness of disclosures made in the financial statements.

PKF Al Bassam
Chartered Accountants

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Professional Consultants

Independent Auditors' Report on the Audit of the Financial Statements

To the Shareholders of Arabian Shield Cooperative Insurance Company (A Saudi Joint Stock Company) (Continued)

Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the key audit matter
Impairment of Goodwill The carrying value of the Company's goodwill amounted to SR 365 million as of 31 December 2025 (31 December 2024: SR 365 million). Management engaged an independent expert to carry out an impairment exercise as at 31 December 2025 in respect of goodwill by determining a recoverable amount using a value-in-use (VIU) model derived from a discounted cashflow approach. The assessment is based on the most recent business plan prepared by the management. The impairment evaluation involved significant judgments and assumptions, including future cash flow projections, discount rates, and long-term growth rates. Given the complexity and subjectivity of these assumptions, we considered the impairment assessment of goodwill to be a key audit matter. Refer to notes 3 and 2(e) for accounting policy on goodwill and significant accounting judgements, estimates and assumptions adopted by the Company and note 15 for the disclosure of goodwill.	We performed the following procedures: • Obtained an understanding of management's process and the methodology for the impairment assessment of goodwill; • Assessed the methodology applied in independent expert's report and the conclusions reached therein; • Evaluated the competence, capabilities and objectivity of the management's external expert based on their professional qualifications and experience and assessed their independence; • Involved our specialists for assessing the reasonableness of the key assumptions used in the VIU calculations as well as appropriateness of the valuation model; and • Assessed the adequacy and appropriateness of disclosures made in the financial statements.

Other information

Other information consists of the information included in the Company's 2025 annual report, other than the financial statements and our auditors' report thereon. Management is responsible for the other information. The Company's annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

PKF Al Bassam
Chartered Accountants

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Professional Consultants

Independent Auditors' Report on the Audit of the Financial Statements

To the Shareholders of Arabian Shield Cooperative Insurance Company
(A Saudi Joint Stock Company) (Continued)

Responsibilities of Management and Those Charged with the Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as endorsed in Kingdom of Saudi Arabia and other standards and pronouncements endorsed by SOCPA, the applicable requirements of the Regulations for Companies, and the Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance i.e., the Company's Board of Directors, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

PKF Al Bassam
Chartered Accountants

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Professional Consultants

Independent Auditors' Report on the Audit of the Financial Statements

To the Shareholders of Arabian Shield Cooperative Insurance Company
(A Saudi Joint Stock Company) (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditors' Report on the Audit of the Financial Statements

To the Shareholders of Arabian Shield Cooperative Insurance Company
(A Saudi Joint Stock Company) (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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شركة بي كي اف البسام
محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

Date: 15 March 2026
Corresponding to: 26 Ramadan 1447H
Riyadh, Kingdom of Saudi Arabia

المستشارون المهنيون
C R : 1010327044 :س.ت
Professional Consultants

	Note	Audited 31 Dec 2025	Audited 31 Dec 2024
Assets			
Cash and cash equivalents	**9**	259,168	82,018
Insurance contract assets	**4**	830	4,142
Reinsurance contract assets	**4**	771,799	536,417
Prepayments and other receivables	**11**	67,264	60,325
Due from related parties		65	508
Investments	**10**	1,742,879	1,764,691
Investment for unit linked contracts	**10 & 10(f)**	1,460,040	655,362
Statutory deposit, net	**24**	79,815	79,815
Accrued income on statutory deposit	**24**	307	2,301
Right of use assets, net	**12**	74,197	1,226
Property and equipment, net	**13**	20,808	5,477
Intangible assets, net	**14**	52,619	56,308
Goodwill	**15 & 30**	364,948	364,948
Total assets		**4,894,739**	**3,613,538**
Liabilities and equity			
Liabilities			
Insurance contract liabilities	**4**	2,971,361	1,777,528
Reinsurance contract liabilities	**4**	4,421	6,112
Accrued expenses and other liabilities	**16.1**	164,489	112,846
Provision for zakat and income tax	**21**	28,495	40,878
Lease liabilities	**16.2**	70,745	1,176
Accrued income payable to Insurance Authority (IA)	**24**	307	2,301
Provision for end-of-service benefits (EOSB)	**22**	22,613	20,602
Total liabilities		**3,262,431**	**1,961,443**
Equity			
Share capital	**23**	798,153	798,153
Share premium		478,473	478,473
Statutory reserve	**25**	54,717	54,717
Retained earnings		193,837	237,590
Fair value reserve for FVOCI investments		108,469	83,600
Total shareholders' equity		**1,633,649**	**1,652,533**
Re-measurement of EOSB related to insurance operations		(1,341)	(438)
Total equity		**1,632,308**	**1,652,095**
Total liabilities and equity		**4,894,739**	**3,613,538**
Contingent liabilities	**17**		

Naeem Hashem Alshammari
CFO

Bassel Abdullah Abdulkarim
CEO

Taha Mohammed Azhari
Board Member, Chairman of Audit Committee

The accompanying notes 1 to 34 form an integral part of these financial statements.

STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

ALL AMOUNTS IN ﷼ '000

	Notes	Audited 31 Dec 2025	Audited 31 Dec 2024
Insurance revenue	5	1,881,892	1,566,804
Insurance service expense	5	(1,914,138)	(1,423,267)
Insurance service result before reinsurance contracts held		**(32,246)**	**143,537**
Allocation of reinsurance premiums	5	(546,132)	(507,378)
Amounts recoverable from reinsurers for incurred claims	5	507,447	386,017
Net expense from reinsurance contracts held		**(38,685)**	**(121,361)**
Net insurance service results from Company's direct written business		**(70,931)**	**22,176**
Share of surplus from insurance pools		3,648	7,576
Total insurance service result		**(67,283)**	**29,752**
Investment income	26	17,871	30,530
Profit calculated for debt securities measured at amortized cost	26	50,216	59,769
Net credit impairment (charge) / reversal of losses on financial assets		(250)	200
Net investment income		**67,837**	**90,499**
Net finance expenses from insurance contracts issued	6	(19,032)	(12,152)
Net finance income from reinsurance contracts held	6	12,627	7,667
Net insurance finance expenses		**(6,405)**	**(4,485)**
Net insurance and investment result		**(5,851)**	**115,766**
Other expenses			
Non-attributable expenses	8	(25,419)	(22,041)
Total other expenses		**(25,419)**	**(22,041)**
Net (loss) / income for the year attributable to the shareholders before zakat & tax		**(31,270)**	**93,725**
Provision for zakat	21	(12,106)	(20,892)
Provision for tax	21	(377)	(1,838)
Net (loss) / income for the year attributable to the shareholders after zakat & tax		**(43,753)**	**70,995**
(Loss) / earning per share (expressed in ﷼ per share) - (refer to note 29)		**(0.55)**	**0.89**
Weighted average number of ordinary outstanding shares (in 'thousands)		**79,815**	**79,815**

Naeem Hashem Alshammari
CFO

Bassel Abdullah Abdulkarim
CEO

Taha Mohammed Azhari
Board Member, Chairman of Audit Committee

The accompanying notes 1 to 34 form an integral part of these financial statements.

	Notes	Audited 31 Dec 2025	Audited 31 Dec 2024
Total (loss) / income for the year attributable to the shareholders		(43,753)	70,995
Other comprehensive (loss) / income:			
Items that may be reclassified to the statement of income in subsequent periods			
Net changes in fair value of investments measured at FVOCI – debt instruments	**28**	3,485	2,290
Items that will not be reclassified to the statement of income in subsequent periods			
Net changes in fair value of investments measured at FVOCI – equity instruments		21,384	33,198
Re-measurement (loss) / gain on end-of-service benefits	**22.3**	(903)	1,375
Total comprehensive (loss) / income for the year		**(19,787)**	**107,858**

Naeem Hashem Alshammari
CFO

Bassel Abdullah Abdulkarim
CEO

Taha Mohammed Azhari
Board Member, Chairman of Audit Committee

The accompanying notes 1 to 34 form an integral part of these financial statements.

31 Dec 2025	Notes	Share Capital	Share Premium	Statutory Reserve	Retained Earnings	Fair value reserve for investments	Total Shareholders' Equity	Re-measurement of EOSB obligations	Total Equity
Balance as at 01 January 2025, (Audited)		**798,153**	**478,473**	**54,717**	**237,590**	**83,600**	**1,652,533**	**(438)**	**1,652,095**
Comprehensive (loss) / income for the year:									
Net loss for the year attributable to the shareholders					(43,753)	0	**(43,753)**	0	**(43,753)**
Re-measurement gain on end-of-service benefits					0	0	**0**	(903)	**(903)**
Unrealized changes in fair value of investments measured at FVOCI, net	**10(b)**				0	24,869	**24,869**	0	**24,869**
Total comprehensive (loss) / income for the year					**(43,753)**	**24,869**	**(18,884)**	**(903)**	**(19,787)**
Transfer to statutory reserve		0	0	0	0	0	**0**	0	**0**
Balance as at 31 December 2025, (Audited)		**798,153**	**478,473**	**54,717**	**193,837**	**108,469**	**1,633,649**	**(1,341)**	**1,632,308**

31 Dec 2024	Notes	Share Capital	Share Premium	Statutory Reserve	Retained Earnings	Fair value reserve for investments	Total Shareholders' Equity	Re-measurement of EOSB obligations	Total Equity
Balance as at 01 January 2024, (Audited)		**798,153**	**478,473**	**40,518**	**180,794**	**48,112**	**1,546,050**	**(1,813)**	**1,544,237**
Comprehensive income for the year:									
Net income for the year attributable to the shareholders					70,995	0	**70,995**	0	**70,995**
Re-measurement loss on end-of-service benefits					0	0	0	1,375	**1,375**
Unrealized changes in fair value of investments measured at FVOCI, net	**10(b)**				0	35,488	**35,488**	0	**35,488**
Total comprehensive income for the year					**70,995**	**35,488**	**106,483**	**1,375**	**107,858**
Transfer to statutory reserve		0	0	14,199	(14,199)	0	**0**	0	**0**
Balance as at 31 December 2024, (Audited)		**798,153**	**478,473**	**54,717**	**237,590**	**83,600**	**1,652,533**	**(438)**	**1,652,095**

Naeem Hashem Alshammari
CFO

Bassel Abdullah Abdulkarim
CEO

Taha Mohammed Azhari
Board Member, Chairman of Audit Committee

The accompanying notes 1 to 34 form an integral part of these financial statements.

	Notes	Audited 31 Dec 2025	Audited 31 Dec 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss) / income for the year attributable to the shareholders before zakat & tax		(31,270)	93,725
Adjustments for non-cash and non-operating items:			
Depreciation of property and equipment	**13**	2,632	2,944
Amortization of intangible assets	**14**	10,839	12,310
Depreciation of right of use assets	**12**	4,518	619
Finance cost on lease libility	**16.2**	2,238	0
Gain on sale of property and equipment		(24)	0
Investment income		(17,289)	(30,657)
Profit calculated for debt securities measured at amortized cost		(48,637)	(56,782)
Net credit impairment losses / (reversal) on financial assets		250	(200)
Provision for end-of-service benefits	**22.2**	4,536	4,126
Changes in operating assets and liabilities:			
Insurance contract assets		3,312	(4,098)
Insurance contract liabilities		1,186,793	209,972
Reinsurance contract assets		(235,382)	(114,692)
Reinsurance contract liabilities		(1,691)	3,158
Investment for unit linked contracts		(804,678)	8,855
Investments measured at FVTPL		(40,788)	(100,000)
Prepayments and other receivables		(6,566)	26,170
Due from related parties		443	(508)
Accrued expenses and other liabilities		51,643	(44,920)
Payments:			
End-of-service benefits paid	**22.2**	(3,428)	(3,010)
Surplus paid to policyholders		(2,509)	0
Zakat and income tax paid	**21**	(24,866)	(38,705)
Net cash generated from / (used in) operating activities		**50,076**	**(31,693)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in investments measured at FVOCI and amortised cost		(659,502)	(817,118)
Proceeds from disposal of investments measured at FVOCI and amortised cost		729,387	715,923
Commission income received		63,306	53,507
Dividend income received		19,581	9,534
Additions in intangible assets	**14**	(7,150)	(6,108)
Additions in property and equipment	**13**	(17,963)	(2,422)
Proceeds from disposal of property and equipment		24	0
Net cash generated from / (used in) investing activities		**127,683**	**(46,684)**
CASH FLOWS FROM FINANCING ACTIVITY			
Lease liabilities		(10,158)	(576)
Net cash used in financing activity		**(10,158)**	**(576)**
Net change in cash and cash equivalents		167,601	(78,953)
Cash and cash equivalents, beginning of the year		82,018	160,971
Cash and cash equivalents, end of the year		**249,619**	**82,018**
NON-CASH INFORMATION			
Net change in unrealised fair value of financial assets at FVOCI	**10(b)**	24,869	35,488
Actuarial (loss) / gain on end-of-service benefits	**22.2**	(903)	1,375
Additions in right of use assets	**12**	77,489	0
Additions in lease liabilities	**16.2**	77,489	0

Naeem Hashem Alshammari	**Bassel Abdullah Abdulkarim**	**Taha Mohammed Azhari**
CFO	CEO	Board Member, Chairman of Audit Committee

The accompanying notes 1 to 34 form an integral part of these financial statements.

1. GENERAL

Arabian Shield Cooperative Insurance Company ("the Company") is a Saudi Joint Stock Company incorporated in Riyadh, Kingdom of Saudi Arabia through Ministerial Resolution issued on 19 May 2007 with Commercial Registration No. 1010234323 issued on 13 September 2007 following on from Royal Decree No. M60 dated 18 Ramadan 1427 corresponding to 11 October 2006. The Commercial Registration Certificate was amended with effect from 12 August 2021 to reflect the increase in share capital following the bonus share issue. The Company was listed on the Saudi Stock Exchange (Tadawul) on 26 September 2007. The registered address of the head office is as follows: Al-Wurud District – King Abdulaziz bin Abdulrahman Road, Building No. 7184, Postal Code 12252 – Additional No. 4388, Riyadh, Kingdom of Saudi Arabia.

The principal activities for which the Company was licensed were the conducting of insurance and reinsurance business in general and medical classes in Saudi Arabia in accordance with License No. TMN/6/20079 issued on 11 September 2007 by Insurance Authority and the License was renewed for three year periods on 10 August 2010, 07 July 2013, 03 September 2016, 28 January 2020, 27 October 2022 and 23 November 2025. Insurance Authority gave approval to the Company to conduct business in the protection and savings class on 26 April 2018. At the Company's request, Insurance Authority approved an amendment to the License to exclude reinsurance business with effect from 30 September 2013.

As per the By-Laws, the Company may undertake all activities required to transact cooperative insurance operations and related activities and to invest its funds. Its principal lines of business include motor, medical, marine, property, engineering, casualty and protection and savings.

Also the new Companies Law issued through Royal Decree M/132 on 01/12/1443H (corresponding to June 30, 2022) (hereinafter referred as the "New Law") came into force on 26/06/1444H (corresponding to January 19, 2023) as well as the amended implementing regulations that were issued by the Capital Market Authority (CMA) based on the New Law.

During the year 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, all mention of SAMA in these financial statements to be read in this context. Therefore, the accrued income liability is payable to the Insurance Authority.

Cooperative insurance operations commenced with effect from 1 January 2009 following acquisition of the insurance portfolio and related business, assets and liabilities from Arabian Shield Insurance Company EC.

In accordance with the Implementing Regulations, within six months from the date of publication of the annual financial statements each year, the Board of Directors approve the distribution of the surplus from insurance operations as follows:

- The shareholders of the Company receive 90% of the surplus from insurance operations including any surplus from investment activities of the policyholders' invested funds and the policyholders retain the remaining.

The Company and its shareholders own and retain custody of all net assets related to both insurance operations and shareholders' operations and funds are allocated to insurance operations as required.

The fiscal year of the Company runs from 1 January to 31 December.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These financial statements for the year ended 31 December 2025, have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") and in compliance with Regulations for Companies in the Kingdom of Saudi Arabia and By-Laws of the Company.

The Company's statement of financial position is presented in order of liquidity but not using current / non-current classification. However, except for property and equipment, intangible assets, statutory deposit, accrued income on statutory deposit, some components of investments (measured at amortized cost, investments measured at FVOCI, long-term deposits), goodwill, right of use assets, lease liabilities, provision for end-of-service benefits and accrued commission income payable to Insurance Authority (IA), all other assets and liabilities are of short-term nature, unless, stated otherwise.

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

The statement of financial position, statements of income, comprehensive income and cash flows of the insurance operations and shareholders operations which are presented in Note 35 of the financial statements have been provided as supplementary financial information to comply with the requirements of the Insurance Implementing Regulations and is not required under IFRSs. The implementing regulations requires the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders operations. Accordingly, the statements of financial position, statements of income, comprehensive income and cash flows prepared for the insurance operations and shareholders operations as referred to above, reflect only the assets, liabilities, income, expenses and comprehensive gains or losses of the respective operations.

Management has also presented separate amounts for shareholders and insurance operations in Notes 9, 10 and 35. For statutory reporting under IFRS as endorsed by SOCPA, only aggregated amounts are required to be considered.

In preparing the Company-level financial statements in compliance with IFRS, the balances and transactions of the insurance operations are amalgamated and combined with those of the shareholders' operations. Interoperation balances, transactions and unrealized gains or losses, if any, are eliminated in full during amalgamation. The accounting policies adopted for the insurance operations and shareholders' operations are uniform for like transactions and events in similar circumstances.

(b) Basis of measurement

These financial statements have been prepared under the going concern basis and the historical cost convention, except for the measurement of investments carried at fair value through profit or loss (FVTPL) and investments carried at fair value through other comprehensive income (FVOCI), defined benefits obligation 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 Company fulfils its contractual obligations in accordance with IFRS 17.

(c) Functional & presentation currency

Amounts in these financial statements are expressed in Saudi Arabian Riyals (SAR) and are rounded off to the nearest thousands except where otherwise mentioned. Saudi Arabian Riyals (SAR) is the functional currency of the Company as well.

(d) Seasonality of operations

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

(e) Critical accounting judgments, estimates and assumptions

The preparation of the 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 expense. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Following are the accounting judgments and estimates that are critical in preparation of these financial statements:

Insurance and reinsurance contracts

i. PAA Eligibility Assessment

The Company has applied the Premium Allocation Approach (PAA) only for contracts with a coverage period of 12 months or less. As this policy applies uniformly to all contracts based on their length, assessments to identify material differences between the model outcomes, for contracts where the coverage period was more than one year, have been deemed unnecessary. For insurance acquisition cash flows (for GoCs under PAA), the Company is eligible whether to recognise insurance acquisition cash flows as an expense when it incurs those costs or to include those cash flows within the liability for remaining coverage (and hence amortise those cash flows over the coverage period). The Company assesses materiality at each respective group of contracts level (GoCs) and at an aggregate insurance contract liabilities or reinsurance contract assets level using pre-determined quantitative threshold for differences at the GoCs.

ii. Liability for remaining coverage

Acquisition cash flows

For insurance acquisition cash flows, the Company is eligible to recognize the payments as an expense immediately (coverage period of a year or less). However, the Company has opted to capitalize the insurance acquisition cash flows.

The effect of recognizing insurance acquisition cash flows as an expense on initial recognition of group of insurance contracts is to increase the liability for remaining coverage on initial recognition and reduce the likelihood of any subsequent onerous contract loss. There would be an increased charge to profit or loss on initial recognition, due to expensing acquisition cash flows, offset by an increase in profit released over the coverage period.

Significant financing component

The Company has assessed its Liability for Remaining Coverage (LRC) and Assets for remaining coverage (ARC) and concluded that no significant financing component exists within LRC and ARC respectively. Therefore, the Company has not adjusted the carrying amount of the LRC and ARC to reflect the time value of money and the effect of financial risk using the discount rates.

Expected premium receipts adjustment

Insurance revenue will be adjusted with the amounts of expected premium receipts adjustment calculated on premiums not yet collected as of the date of the statement of financial position. The computation is performed using IFRS 17 to calculate Expected Credit Loss (ECL) allowance. The corresponding impact of this adjustment is recorded in the LIC.

iii. Liability for incurred claims

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

The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analyzed by accident years, but can also be further analyzed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

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

Other key circumstances affecting the reliability of assumptions include variation in profit rates and delays in settlement.

iv. Onerosity determination

For contracts measured under GMM and VFA, a group of contracts is onerous at initial recognition if there is a net outflow of fulfilment cash flows. As a result, a liability for the net outflow is recognized as a loss component within the liability for remaining coverage and a loss is recognized immediately in the statement of income in insurance service expense. The loss component is then amortized to statement of income over the coverage period to offset incurred claims in insurance service expense.

For contracts measured under PAA, the Company assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise.

The Company also considers facts and circumstances to identify whether a group of contracts are onerous based on the following key inputs:

Pricing information: Underwriting combined ratios and price adequacy ratios. This input is most relevant for the Medical insurance portfolio;
Historical combined ratio of similar and comparable sets of contracts for Motor and P&C portfolios in particular;
Any relevant inputs from underwriters;
Other external factors such as inflation and change in market claims experience or change in regulations; and
For subsequent measurement, the Company also relies on the same group of contracts' weighted actual emerging experience.

The outcome of the above-mentioned points is then discussed with the Profitability Assessment Committee (the "Committee") which is chaired by the CFO and includes other relevant stakeholders as members. The objective of the Committee is to formulate the management's view of the profitability of new and in-force contracts. The Committee, based on aforementioned inputs, classifies all new contracts as either onerous or profitable and produces the estimated combined loss ratio. For existing contracts, the Committee also produces a view of the combined ratio for such contracts. The expected combined loss ratio is then fed into the loss component and loss recovery component calculation.

v. Expense attribution

The Company identifies expenses which are directly attributable towards acquiring insurance contracts (acquisition costs) and fulfilling /maintaining (other attributable expenses) such contracts and those expenses which are not directly attributable to the aforementioned contracts (non-attributable expenses). Acquisition costs, such as underwriting costs including other expenses except for initial commission paid, are no longer recognized in the statement of income when incurred and instead spread over the lifetime of the group of contracts based on the passage of time.

Other attributable expenses are allocated to the groups of contracts using an allocation mechanism considering the activity-based costing principles. The Company has determined costs directly identified to the groups of contracts, as well as costs where a judgement is applied to determine the share of expenses as applicable to that group.

On the other hand, non-directly attributable expenses and overheads are recognized in the statement of income immediately when incurred. The proportion of directly attributable and non-attributable costs at inception will change the pattern at which expenses are recognized.

vi. Estimates of future cash flows

The Company primarily uses deterministic projections to estimate the present value of future cash flows.

The following assumptions were used when estimating future cash flows:

Mortality and morbidity rates (insurance risk and reinsurance business)

Assumptions are based on rate tables provided by the reinsurers. They reflect recent historical experience and are adjusted when appropriate to reflect the Company's own experiences. Assumptions are differentiated by policyholder gender. An increase in expected mortality and morbidity rates will increase the expected claim cost which will reduce future expected profits of the Company.

Expenses

Operating expenses assumptions reflect the projected costs of maintaining and servicing in–force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate.

An increase in the expected level of expenses will reduce future expected profits of the Company.

The cash flows within the contract boundary include an allocation of fixed and variable overheads directly attributable to fulfilling insurance contracts. Such overheads are allocated to groups of contracts using methods that are systematic and rational, and are consistently applied to all costs that have similar characteristics.

Lapse and surrender rates

Lapses relate to the termination of policies due to non–payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Company's experience and vary by product type, policy duration and sales trends.

vii. Discount rates

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

The yield curves that were used to discount the estimates of future cash flows are as follows:

Insurance contracts issued	Curr	1 year	5 years	10 years	20 years	30 years	31 years	35 years	40 years	50 years	60 years
P&S Insurance	SAR	4.58%	4.62%	4.99%	5.43%	5.38%	5.36%	5.29%	5.18%	5.00%	4.85%
General	SAR	4.58%	4.62%	4.99%	5.43%	5.38%	5.36%	5.29%	5.18%	5.00%	4.85%

Reinsurance contracts held	Curr	1 year	5 years	10 years	20 years	30 years	31 years	35 years	40 years	50 years	60 years
P&S Insurance	SAR	4.58%	4.62%	4.99%	5.43%	5.38%	5.36%	5.29%	5.18%	5.00%	4.85%
General	SAR	4.58%	4.62%	4.99%	5.43%	5.38%	5.36%	5.29%	5.18%	5.00%	4.85%

viii. Risk adjustment for non-financial risk

Risk adjustment reflects the compensation that is required for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils insurance contracts. For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Company to the reinsurer.

The Company has elected to apply the Value at Risk (VaR) method in line with Solvency II framework for the determination of the Risk Adjustment. The method is structured around particular modules of the standard formula of the Solvency II framework with some modifications to account for the unique characteristics of the Company and requirements of the standard. The risk adjustment is calibrated to reflect the 75th percentile confident level.

The Company does not disaggregate changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

ix. Amortization of the Contractual Service Margin

Under GMM/ VFA approach, the CSM is a component of the asset or liability for the group of insurance contracts that represents the unearned profit the Company will recognize as it provides services in the future. The amount of the CSM for a group of insurance contracts is recognized in the statement of income as insurance revenue in each period to reflect the services provided under the group of insurance contracts in that period. The amount is determined by:

- Identifying the coverage units in the group
- Allocating the CSM at the end of the period (before recognizing any amounts in statement of income to reflect the services provided in the period) equally to each coverage unit provided in the current period and expected to be provided in the future
- Recognizing in statement of income the amount allocated to coverage units provided in the period.

The number of coverage units in a group is the quantity of coverage provided by the contracts in the group, which the Company determines by considering the quantity of the benefits provided and the expected coverage duration. For groups of life insurance contracts, the quantity of benefit is the contractually agreed sum insured over the duration of the contracts. The total coverage units of each group of insurance contracts are reassessed at the end of each reporting period to adjust for the reduction of remaining coverage for claims paid, expectations of lapses and cancellation of contracts in the period. The Company then allocates them based on probability-weighted average duration of each coverage unit provided in the current period and expected to be provided in the future.

For reinsurance contracts held, the CSM amortization is similar to the reinsurance contracts issued and reflects the expected pattern of underwriting of the underlying contracts because the level of service provided depends on the number of underlying contracts in-force.

x. Sensitivities on major assumptions considered while applying IFRS 17

The sensitivity analysis is done to evaluate the impact on gross and net liabilities, profit / loss before tax and equity for reasonably possible movements in key assumptions with all other assumptions in notes 2 and 3 held constant. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are nonlinear.

xi. Impairment losses on financial assets

The measurement of impairment losses under IFRS 9 across relevant financial assets requires judgement, in particular, for the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by the outcome of modelled ECL scenarios, and the relevant inputs used.

xii. Recognition of Deferred Tax Assets

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither the accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; these reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Company has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

xiii. Impairment of Non-Financial Assets and CGUs Containing Goodwill

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than insurance and reinsurance contract assets, intangible assets, deferred tax assets and employee benefit assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The Company's corporate assets do not generate separate cash inflows and are used by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGUs to which the corporate assets are allocated.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in statement of income. Impairment losses recognized for a CGU are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

xiv. Fair value of financial instruments

Fair values of financial instruments are based on quoted prices for marketable securities or estimated fair values. The fair value of commission bearing items is estimated based on discounted cash flows using commission for items with similar terms and risk characteristics. The fair value of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed. All models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates. Refer fair value of financial instruments disclosure in note 10.

xv. Going concern

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

(f) New standards, interpretations and amendments

New standards, interpretations, and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the International Accounting Standards Board ("IASB") that are effective in future accounting periods that the Company has decided not to adopt early.

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	01 January 2026
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	01 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public	01 January 2027
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: 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.	01 January 2026

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are summarized below. These policies are consistent with the accounting policies for the year ended 31 December 2024, unless otherwise stated.

Employer's Delinquency Insurance Pool.

This represents the Company's share of surplus 0.99% (2024: Nil) in the Employers' Delinquency Insurance Pool product. The Company along with nineteen other insurance companies operating in the Kingdom of Saudi Arabia, entered into an agreement with Al-Etihad Cooperative Insurance Company, effective from 3 November 2024. This compulsory product covers default of entities in paying the rights and entitlements of non-Saudi employees in private sector entities offered by the "Ministry of Human Resources and Social Development" through IA.

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

The Company's share of income in this pool for the year ended 31 December 2025 is SR 0.552 million (31 December 2024: Nil).

Insurance and reinsurance contents classification

Insurance contracts are contracts under which the Company accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Company uses judgement to assess whether a contract transfers insurance risk (i.e., if there is a scenario with commercial substance in which the Company has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Company to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. Some investment contracts without DPF issued by the Company fall under this category.

Some investment contracts issued by the Company contain discretionary participation feature (DPF), whereby the investor has the right and is expected to receive, as a supplement to the amount not subject to the Company's discretion, potentially significant additional benefits based on the return of specified pools of investment assets. The Company accounts for these contracts under IFRS 17

The Company issues certain insurance contracts that are substantially investment-related service contracts where the return on the underlying items is shared with policyholders. Underlying items comprise specified portfolios of investment assets that determine amounts payable to policyholders. The Company's policy is to hold such investment assets.

An insurance contract with direct participation features is defined by the Company as one which, at inception, meets the following criteria:

- the contractual terms specify that the policyholders participate in a share of a clearly identified pool of underlying items;
- the Company expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the Company expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

Investment components in Savings and Participating products comprise policyholder account values less applicable surrender fees.

The Company uses judgement to assess whether the amounts expected to be paid to the policyholders constitute a substantial share of the fair value returns on the underlying items.

Insurance contracts with direct participation features are viewed as creating an obligation to pay policyholders an amount that is equal to the fair value of the underlying items, less a variable fee for service. The variable fee comprises the Company's share of the fair value of the underlying items, which is based on a fixed percentage of investment management fees (withdrawn annually from policyholder account values based on the fair value of underlying assets and specified in the contracts with policyholders) less the FCF that do not vary based on the returns on underlying items. The measurement approach for insurance contracts with direct participation features is referred to as the VFA.

The VFA modifies the accounting model in IFRS 17 (referred to as the GMM) to reflect that the consideration an entity receives for the contracts is a variable fee.

Direct participating contracts issued by the Company are contracts with direct participation features where the Company holds the pool of underlying assets and accounts for these Groups of contracts under the VFA.

IFRS 17 requires a company to determine the level of aggregation for applying its requirements. The level of aggregation for the Company is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. This means that for determining the level of aggregation, the Company identifies a contract as the smallest 'unit', i.e., the lowest common denominator. However, the Company makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management). IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart. The Company has defined portfolios of insurance issued and reinsurance contracts held based on its product lines. The portfolios are further divided by year of issue and profitability for recognition and measurement purposes. Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:

A group of contracts that are onerous at initial recognition (if any)
A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any)
A group of the remaining contracts in the portfolio (if any)

The expected profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The Company assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise. For contracts that are not onerous, the Company assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances. The Company considers facts and circumstances to identify whether a group of contracts are onerous based on:

Pricing information
Results of similar contracts it has recognised
Environmental factors, e.g., a change in market experience or regulations

The Company divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract.

Fair Value Gains on Unit-Linked Investments: In accordance with our accounting policies, fair value gains on unit-linked investments have been included within the "Fair value gain / loss on financial assets for unit linked contracts" (note 6). These gains are directly related to insurance contracts issued and may not represent realized gains on investments.

All other insurance contracts originated by the Company are without direct participation features.

In the normal course of business, the Company uses reinsurance to mitigate its risk exposures. A reinsurance contract transfers significant risk if it transfers substantially all the insurance risk resulting from the insured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

All references to insurance contracts in these financial statements apply to insurance contracts issued or acquired, reinsurance contracts held and investment contracts with DPF, unless specifically stated otherwise.

Unit of account

The Company manages insurance contracts issued by product lines within an operating segment, where each product line includes contracts that are subject to similar risks. All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into Groups of contracts that are issued within a calendar year (annual cohorts) and are:

- contracts that are onerous at initial recognition
- contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
- a Group of remaining contracts. These Groups represent the level of aggregation at which insurance contracts are initially recognized and measured. Such Groups are not subsequently reconsidered.

For each portfolio of contracts, the Company determines the appropriate level at which reasonable and supportable information is available to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Company uses significant judgement to determine at what level of granularity the Company has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same Group without performing an individual contract assessment.

For life risk and savings product lines, sets of contracts usually correspond to policyholder pricing Groups that the Company determined to have similar insurance risk and that are priced within the same insurance rate ranges. The Company monitors the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming onerous at the level of these pricing Groups with no information available at a more granular level.

Contracts issued within participating product lines are always priced with high expected profitability margins, and thus, such contracts are allocated to Groups of contracts that have no significant possibility of becoming onerous at the time of initial recognition.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Company aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into groups of

- contracts for which there is a net gain at initial recognition, if any;
- contracts for which at initial recognition there is no significant possibility of a net gain arising subsequently; and
- remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Company tracks internal management information reflecting historical experiences of such contracts' performance. This information is used for setting pricing of these contracts such that they result in reinsurance contracts held in a net cost position without a significant possibility of a net gain arising subsequently.

Before the Company accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- cash flows relating to embedded derivatives that are required to be separated;
- cash flows relating to distinct investment components; and
- promises to transfer distinct goods or distinct non-insurance services.

The Company applies IFRS 17 to all remaining components of the contract. The Company does not have any contracts that require further separation or combination of insurance contracts .

Recognition

Groups of insurance contracts issued are initially recognized from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Company determines that a Group of contracts becomes onerous.

Insurance contracts acquired in a business combination, or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

Investment contracts with DPF are initially recognized at the date the Company becomes a party to the contract.

A Group of reinsurance contracts held that covers the losses of separate insurance contracts on a proportionate basis (proportionate or quota share reinsurance) is recognized at the later of:

- the beginning of the coverage period of the group; or
- the initial recognition of any underlying insurance contract.

The Company does not recognize a group of quota share reinsurance contracts held until it has recognized at least one of the underlying insurance contracts.

A Group of reinsurance contracts held that covers aggregate losses from underlying contracts in excess of a specified amount (non-proportionate reinsurance contracts, such as excess of loss reinsurance) is recognized at the beginning of the coverage period of that Group.

Only contracts that meet the recognition criteria by the end of the reporting period are included in the Groups. When contracts meet the recognition criteria in the Groups after the reporting date, they are added to the Groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction. Composition of the Groups is not reassessed in subsequent periods.

Contract modification and derecognition

An insurance contract is derecognized when it is:

- extinguished (i.e., when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified, and certain additional criteria are met.

When an insurance contract is modified by the Company as a result of an agreement with the counterparties or due to a change in regulations, the Company treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. The Company derecognizes the original contract and recognizes the modified contract as a new contract if any of the following conditions are present:

a. if the modified terms had been included at contract inception and the Company would have concluded that the modified contract:
   i. is not in scope of IFRS 17;
   ii. results in different separable components;
   iii. results in a different contract boundary; or
   iv. belongs to a different group of contracts;

b. the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or

c. the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When an insurance contract not accounted for under the PAA is derecognized from within a Group of insurance contracts, the group:

a. Adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the Group.

b. Adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the Group) in the following manner, depending on the reason for the derecognition:
   i. If the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service.
   ii. If the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party.
   iii. If the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in a. adjusted for the premium the Company would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification. When recognizing the new contract in this case, the Company assumes such a hypothetical premium as actually received.

c. Adjusts the number of coverage units for the expected remaining coverage to reflect the number of coverage units removed.

When an insurance contract accounted for under the PAA is derecognized, adjustments to the FCF to remove relating rights and obligations and account for the effect of the derecognition result in the following amounts being charged immediately to profit or loss:

a. if the contract is extinguished, any net difference between the derecognized part of the LRC of the original contract and any other cash flows arising from extinguishment;

b. if the contract is transferred to the third party, any net difference between the derecognized part of the LRC of the original contract and the premium charged by the third party;

c. if the original contract is modified resulting in its derecognition, any net difference between the derecognized part of the LRC and the hypothetical premium the entity would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

Fulfilment cash flows

Fulfilment cash flows within contract boundary

The FCF are the current estimates of the future cash flows within the contract boundary of a Group of contracts that the Company expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

a. are based on a probability weighted mean of the full range of possible outcomes.

b. are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and

c. reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the Groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

Risk of the Company's non-performance is not included in the measurement of Groups of insurance contracts issued.

In the measurement of reinsurance contracts held, the probability weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer.

The Company estimates certain FCF at the portfolio level or higher and then allocates such estimates to Groups of contracts. The Company uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the Groups of underlying insurance contracts.

Contracts Combination

The Company has certain insurance contracts that are originated and reinsured 100% with the same party. As these contracts do not transfer any insurance risk or credit risk to the Company hence, these contracts qualify for contract combination as per para 9 of IFRS 17 and guidance provided by Transition Resource Group (TRG). The Company only entitled to an administration service fee for servicing the portfolio and reinsurance ceding commission. Under the contracts combination approach, the Company is offsetting the direct and reinsurance parts of premiums written/ceded, unearned parts, and related claims including claims reserves. The resultant revenue earned from administration service fee and reinsurance fee is presented as other revenue.

Contract boundary

The Company uses the concept of contract boundary to determine what cash flows should be considered in the measurement of Groups of insurance contracts. This assessment is reviewed every reporting period.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums, or the Company has a substantive obligation to provide the policyholder with insurance coverage or other services. A substantive obligation ends when:

a. the Company has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or

b. both of the following criteria are satisfied:

i. the Company has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and

ii. the pricing of premiums related to coverage to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Company, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all the cash flows within its boundary.

Some insurance contracts issued by the Company provide policyholders with an option to buy an annuity upon the initially issued policies maturity. The Company assesses its practical ability to reprice such insurance contracts in their entirety to determine if annuity-related cash flows are within or outside of the insurance contract boundary. As a result of this assessment, non-guaranteed annuity options are not measured by the Company until they are exercised.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognized when those contracts meet the recognition criteria.

Cash flows are within the boundaries of investment contracts with DPF if they result from a substantive obligation of the Company to deliver cash at a present or future date.

For Groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Company that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or in which the Company has a substantive right to receive services from the reinsurer.

The Company's quota-share life reinsurance agreements held have an unlimited duration but are cancellable for new underlying business with a one-year notice period by either party. Thus, the Company treats such reinsurance contracts as a series of annual contracts that cover underlying business issued within a year. Estimates of future cash flows arising from all underlying contracts issued and expected to be issued within a one-year boundary are included in each of the reinsurance contracts' measurement.

The excess of loss reinsurance contracts held provides coverage for claims incurred during an accident year. Thus, all cash flows arising from claims incurred and expected to be incurred in the accident year are included in the measurement of the reinsurance contracts held. Some of these contracts may include mandatory or voluntary reinstatement reinsurance premiums, which are guaranteed per the contractual arrangements and are thus within the respective reinsurance contracts' boundaries.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognized in non-attributable expenses as incurred.

Measurement Model Application

The Company applies the Premium Allocation Approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds for which the coverage period is less than one year. For other contracts issued and held where the coverage period is more than one year, the Company performs PAA Eligibility testing as mentioned in section 2 to confirm whether the PAA may be applied. Subject to passing the PAA eligibility testing, the Company applied PAA on contract issued and reinsurance contracts held that pass the testing.

When measuring liabilities for remaining coverage, the PAA is broadly similar to the Company's previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Company now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

Initial measurement – Groups of contracts not measured under the PAA -contractual service margin (CSM)

The CSM is a component of the carrying amount of the asset or liability for a Group of insurance contracts issued representing the unearned profit that the Company will recognize as it provides coverage in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a Group of contracts is onerous) arising from:

a. the initial recognition of the FCF;
b. the derecognition at the date of initial recognition of any asset or liability recognized for insurance acquisition cash flows; and
c. cash flows arising from the contracts in the Company at that date.

A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognized in statement of income immediately with no CSM recognized on the balance sheet on initial recognition.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognized as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Company recognizes the net cost immediately in statement of income. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Company will recognize as a reinsurance expense as it receives reinsurance coverage in the future.

For insurance contracts acquired through business combination, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

a. the initial recognition of the FCF; and
b. cash flows arising from the contracts in the Company at that date, including the fair value of the Groups of contracts acquired at the acquisition date as a proxy of the premiums received.

No contracts acquired were assessed as onerous at initial recognition.

Subsequent measurement – Groups of contracts not measured under the PAA

The carrying amount at the end of each reporting period of a Group of insurance contracts issued is the sum of:

a. the LRC, comprising:
    i. the FCF related to future service allocated to the Company at that date; and
    ii. the CSM of the Company at that date; and
b. the LIC, comprising the FCF related to past service allocated to the Company at the reporting date.

The carrying amount at the end of each reporting period of a Group of reinsurance contracts held is the sum of:

a. the remaining coverage, comprising:
    i. the FCF related to future service allocated to the Company at that date; and
    ii. the CSM of the Company at that date; and
b. the incurred claims, comprising the FCF related to past service allocated to the Company at the reporting date.

Changes in fulfilment cash flows

The FCF are updated by the Company for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

a. changes that relate to current or past service are recognized in statement of income; and
b. changes that relate to future service are recognized by adjusting the CSM or the loss component within the LRC as per the policy below.

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:

a. experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
b. changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;
c. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and
d. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments a, b and c above are measured using the locked-in discount rates as described in the section profit accretion on the CSM below.

For insurance contracts under the GMM, the following adjustments do not relate to future service and thus do not adjust the CSM:

a. changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;
b. changes in the FCF relating to the LIC; and
c. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

For investment contracts with DPF that are measured under the GMM and provide the Company with discretion as to the timing and amount of the cash flows to be paid to the policyholders, a change in discretionary cash flows is regarded as relating to future service and accordingly adjusts the CSM. At inception of such contracts, the Company specifies its commitment as crediting profit to the policyholder's account balance based on the return on a pool of assets less a spread. The effect of discretionary changes in the spread on the FCF adjusts the CSM while the effect of changes in assumptions that relate to financial risk on this commitment are reflected in insurance finance income or expenses.

When no commitment is specified, the effect of all changes in assumptions that relate to financial risk and changes thereof on the FCF is recognized in insurance finance expenses.

For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

a. changes in the Group's share of the fair value of the underlying items; and
b. changes in the FCF that do not vary based on the returns of underlying items:
    i. changes in the effect of the time value of money and financial risks including the effect of financial guarantees;
    ii. experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
    iii. changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;
    iv. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and
    v. changes in the risk adjustment for non-financial risk that relate to future service. Adjustments ii.-v. are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not relate to future service and thus do not adjust the CSM:

a. changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items;
b. changes in the FCF that do not vary based on the returns of underlying items:
    i. changes in the FCF relating to the LIC; and
    ii. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

The Company does not have any products with complex guarantees and does not use derivatives to economically hedge the risks.

Changes in fulfilment cash flows

For insurance contracts issued, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Company to reflect the effect of the following changes:

a. The effect of any new contracts added to the Group.
b. For contracts measured under the GMM, profit accreted on the carrying amount of the CSM.
c. Changes in the FCF relating to future service are recognized by adjusting the CSM. Changes in the FCF are recognized in the CSM to the extent the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognized in insurance service expenses and a loss component is recognized within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.
d. The effect of any currency exchange differences.
d. The amount recognized as insurance revenue for services provided during the period determined after all other adjustments above.

For a Group of reinsurance contracts held, the carrying amount of the CSM at the end of each reporting period is adjusted to reflect changes in the FCF in the same manner as a Group of underlying insurance contracts issued, except that when underlying contracts are onerous and thus changes in the underlying FCF related to future service are recognized in insurance service expenses by adjusting the loss component, respective changes in the FCF of reinsurance contracts held are also recognized in the insurance service result.

Profit accretion on the CSM

Under the GMM, Profit is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items (locked-in discount rates). If more contracts are added to the existing Groups in the subsequent reporting periods, the Company revises the locked- in discount curves by calculating weighted-average discount curves over the period that contracts in the Company are issued. The weighted-average discount curves are determined by multiplying the new CSM added to the Company and their corresponding discount curves over the total CSM.

Adjusting the CSM for changes in the FCF relating to future service

The CSM is adjusted for changes in the FCF measured applying the discount rates as specified above in the Changes in fulfilment cash flows section.

Release of the CSM to statement of income

The amount of the CSM recognized in statement of income for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the Group of insurance contracts based on coverage units.

For contracts issued, the Company determines the coverage period for the CSM recognition as follows:

a. for term life and universal life insurance contracts, the coverage period corresponds to the policy coverage for mortality risk;

The total number of coverage units in a Group is the quantity of coverage provided by the contracts in the group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

a. the quantity of benefits provided by contracts in the Group;
b. the expected coverage duration of contracts in the Group; and
c. the likelihood of insured events occurring, only to the extent that they affect the expected duration of contracts in the Group.

The Company uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits.

For reinsurance contracts held, the CSM is released to profit or loss as services are received from the reinsurer in the period.

Coverage units for the proportionate term life reinsurance contracts are based on the insurance coverage provided by the reinsurer and are determined by the ceded policies' sum insured.

The coverage period for these contracts is determined based on the coverage of all underlying contracts whose cash flows are included in the reinsurance contract boundary.

Onerous contracts – Loss component on GMM/VFA

When adjustments to the CSM exceed the amount of the CSM, the Group of contracts becomes onerous, and the Company recognizes the excess in insurance service expenses and records it as a loss component of the LRC.

When a loss component exists, the Company allocates the following between the loss component and the remaining component of the LRC for the respective Group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

a. expected incurred claims and expenses for the year;
b. changes in the risk adjustment for non-financial risk for the risk expired; and
c. finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in a. and b. above reduce the respective components of insurance revenue and are reflected in insurance service expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

Initial and subsequent measurement – Groups of contracts measured under the PAA

The Company uses the PAA for measuring contracts with a coverage period of one year or less and on contracts that pass the eligibility testing as mentioned in section 2.

For insurance contracts issued, on initial recognition, the Company measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the prepaid acquisition cash flows asset.

For reinsurance contracts held on initial recognition, the Company measures the remaining coverage at the amount of ceding premiums paid.

The carrying amount of a Group of insurance contracts issued at the end of each reporting period is the sum of:

a. the LRC; and
b. the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a Group of reinsurance contracts held at the end of each reporting period is the sum of:

a. the remaining coverage; and
b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

a. increased for premiums received in the period;
b. decreased for insurance acquisition cash flows paid in the period;
c. decreased for the amounts of expected premiums received recognized as insurance revenue for the services provided in the period; and
d. increased for the amortization of insurance acquisition cash flows in the period recognized as insurance service expenses.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

a. increased for ceding premiums paid in the period; and
b. decreased for the amounts of ceding premiums recognized as reinsurance expenses for the services received in the period.

The Company does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money as insurance premiums are due within the coverage of contracts, which is one year or less.

For contracts measured under the PAA, the LIC is measured similarly to the LIC's measurement under the GMM. Future cash flows are adjusted for the time value of money since automobile insurance contracts issued by the Company and measured under the PAA typically have a settlement period of over one year.

Onerous contract - Loss component on PAA

For all contracts measured under PAA, the Company assumes that no such contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise.

For non-onerous contracts, the Company assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous.

In addition, if facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. Once a Group of contracts is determined as onerous on initial or subsequent assessment, loss is recognized immediately in the statement of income in insurance service expense.

The loss component is then amortized to statement of income over the coverage period to offset incurred claims in insurance service expense. If facts and circumstances indicate that the expected profitability of the onerous group during the remaining coverage has changed, then the Company remeasures the same and adjusts the loss component as required until the loss component is reduced to zero. The loss component is measured on a gross basis but may be mitigated by a loss recovery component if the contracts are covered by reinsurance.

Insurance acquisition costs

The Company includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting a Group of insurance contracts and that are:

a. costs directly attributable to individual contracts and Groups of contracts; and
b. costs directly attributable to the portfolio of insurance contracts to which the group belongs, which are allocated on a reasonable and consistent basis to measure the group of insurance contracts.

Before a group of insurance contracts is recognized, the Company could pay directly attributable acquisition costs to originate them. When such prepaid costs are refundable in case of insurance contracts termination, they are recorded as a prepaid insurance acquisition cash flows asset within other assets and allocated to the carrying amount of a Group of insurance contracts when the insurance contracts are subsequently recognized.

The acquisition costs are generally capitalized and recognized in the statement of income over the life of the contracts. However, for contracts under PAA approach, there is an option to recognize any insurance acquisition cash flows as an expense when the Company incurs those costs. The company has elected not to choose the option and has capitalized the costs which would then be recognized over the life of contracts. No separate asset is recognized for deferred acquisition costs. Instead, qualifying insurance acquisition cash flows are subsumed into the insurance liability for remaining

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils insurance contracts.

The Company has chosen to calibrate the risk adjustment to correspond to a confidence level of 75th percentile, considering the confidence level is adequate to cover sources of uncertainty about the amount and timing of the cash flows.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the Company to the reinsurer.

VAT treatment

Transaction-based taxes (such as premium taxes, value added taxes and goods & services taxes) and levies that arise directly from existing insurance contracts, or that can be attributed to them on a reasonable and consistent basis are included within insurance contract liabilities as part of fulfilment cash flows within the boundary of insurance contracts.

Amounts recognized in comprehensive income for Insurance service result from insurance contracts issued

Insurance revenue

As the Company provides services under the group of insurance contracts, it reduces the LRC and recognizes insurance revenue. The amount of insurance revenue recognized in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration the Company expects to be entitled to in exchange for those services.

For contracts not measured under the PAA, insurance revenue comprises the following:

- Amounts relating to the changes in the LRC:
  - a. insurance claims and expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
    - i. amounts related to the loss component;
    - ii. repayments of investment components;
    - iii. amounts of transaction-based taxes collected in a fiduciary capacity; and
    - iv. insurance acquisition expenses;
  - b. changes in the risk adjustment for non-financial risk, excluding:
    - i. changes included in insurance finance income (expenses);
    - ii. changes that relate to future coverage (which adjust the CSM); and
    - iii. amounts allocated to the loss component;
  - c. amounts of the CSM recognized in statement of income for the services provided in the period; and
  - d. experience adjustments arising from premiums received in the period that relate to past and current service and related cash flows such as insurance acquisition cash flows and premium-based taxes.
- Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows on the basis of the passage of time over the expected coverage of a Group of contracts.

For Groups of insurance contracts measured under the PAA, the Company recognizes insurance revenue based on the passage of time over the coverage period of a Group of contracts.

Insurance revenue is adjusted to allow for policyholders' default on future premiums. The default probability is derived from the expected loss model prescribed under IFRS 9.

Insurance service expenses

Insurance service expenses include the following:

a. incurred claims and benefits excluding investment components;
b. other incurred directly attributable insurance service expenses;
c. Insurance acquisitions costs incurred and amortization of insurance acquisition cash flows;
d. changes that relate to past service (i.e. changes in the FCF relating to the LIC); and
e. changes that relate to future service (i.e. losses/reversals on onerous Groups of contracts from changes in the loss components).

For contracts not measured under the PAA, amortization of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue as described above.

For contracts measured under the PAA, amortization of insurance acquisition cash flows is based on the passage of time.

Other expenses not meeting the above categories are included in non-attributable expenses in the statement of income.

Amounts recognized in comprehensive income for Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

The Company presents financial performance of Groups of reinsurance contracts held separately between the amounts recoverable from reinsurers and allocation of the premiums for reinsurance contracts held, comprising the following amounts:

a. reinsurance expenses;
b. incurred claims recovery;
c. other incurred directly attributable insurance service expenses;
d. effect of changes in risk of reinsurer non-performance;
e. for contracts measured under the GMM, changes that relate to future service (i.e. changes in the FCF that do not adjust the CSM for the Group of underlying insurance contracts); and
f. changes relating to past service (i.e. adjustments to incurred claims).

Reinsurance expenses are recognized similarly to insurance revenue. The amount of reinsurance expenses recognized in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Company expects to pay in exchange for those services.

For contracts not measured under the PAA, reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

a. insurance claims and other expenses recovery in the period measured at the amounts expected to be incurred at the beginning of the period, excluding repayments of investment components;
b. changes in the risk adjustment for non-financial risk, excluding:
- changes included in finance income (expenses) from reinsurance contracts held; and
- changes that relate to future coverage (which adjust the CSM);
c. amounts of the CSM recognized in statement of income for the services received in the period; and
d. ceded premium experience adjustments relating to past and current service.

For Groups of reinsurance contracts held measured under the PAA, the Company recognizes reinsurance expenses based on the passage of time over the coverage period of a Group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

a. the effect of the time value of money and changes in the time value of money; and
b. the effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

a. profit accreted on the FCF and the CSM;
b. the effect of changes in profit rates and other financial assumptions; and
c. foreign exchange differences arising from contracts denominated in a foreign currency.

For contracts measured under the VFA, the main amounts within insurance finance income or expenses are:

a. changes in the fair value of underlying items;
b. profit accreted on the FCF relating to cash flows that do not vary with returns on underlying items; and
c. the effect of changes in profit rates and other financial assumptions on the FCF relating to cash flows that do not vary with returns on underlying items.

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

a. profit accreted on the LIC; and
b. the effect of changes in profit rates and other financial assumptions.

The Company disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance income or expenses.

For the contracts measured using the VFA, the P&L option is applied. As the Company holds the underlying items for these contracts, the use of the P&L option results in the elimination of accounting mismatches with income or expenses included in profit or loss on the underlying assets held. This is applied because the amounts of income or expenses for the underlying assets are recognized in profit or loss.

iii) IFRS 9 Financial Instruments

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. The classification of financial assets are:

(a) Financial assets carried at amortized cost;
(b) Financial assets carried at fair value through other comprehensive income (FVOCI); and
(c) Financial assets carried at fair value through profit or loss (FVTPL)

(a) Financial assets at amortized cost:

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

(i) The asset is held within a "business model" whose objective is to hold assets to collect contractual cash flows;
(ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit (SPPP) on the principal amount outstanding.

The details of these conditions are outlined below.

(i) Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

(ii) Solely payments of principal & profits test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPP test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of profit within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPP assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the profit rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and profit on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

(b) Financial assets at fair value through other comprehensive income (FVOCI)

Debt instruments at FVOCI

The Company applies the category under IFRS 9 of debt instruments measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial
- The contractual terms of the financial asset meet the SPPP test.

This category only includes debt instruments, which the Company intends to hold for the foreseeable future, and which may be sold in response to needs for liquidity or in response to changes in market conditions. The Company classified its debt instruments at FVOCI. Debt instruments at FVOCI are subject to an impairment assessment under IFRS 9.

Equity instruments at FVOCI

Upon initial recognition, the Company may elect to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

(c) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and profit are classified and measured at FVTPL, irrespective of the business model. In addition, on initial recognition the Company may irrevocably designate a financial asset as FVTPL that otherwise meets the requirements to be measured at amortized cost or at FVOCI if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

For unit linked investments for insurance contracts issued with discretionary participation features, the Company has elected to measure those investments at FVTPL in order to compensate insurance finance income/ expense. That election is irrevocable and made on an instrument-by instrument basis.

Recognition, subsequent measurement and derecognition

Debt instrument at amortized cost

After initial measurement, financial assets are measured at amortized cost, using the effective profit rate (EIR) method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. Financing income, foreign exchange gains and losses and impairment when the investments are impaired are recognized in the profit or loss.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition is recognized in the profit or loss.

Financial assets at fair value through other comprehensive income

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset.

Debt instruments that are measured at FVOCI category are subsequently measured at fair value with gains and losses arising due to changes in fair value recognized in the statement of comprehensive income. Profit and foreign exchange gains and losses are recognized in the statement of income in the same manner as for financial assets measured at amortized cost.

On derecognition, cumulative gains or losses previously recognized in the statement of comprehensive income are reclassified from the statement of comprehensive income to the statement of income.

Equity instruments that are measured at FVOCI category are subsequently measured at fair value. Dividends are recognized as income in the statement of income when the Company's right to receive payment is established, unless they clearly represent a recovery of part of the cost of the investment. Other net gains and losses are recognized in the statement of comprehensive income and are never reclassified to the statement of income. Cumulative gains and losses recognized in the statement of comprehensive income are transferred to retained earnings on disposal of an investment.

Financial assets at fair value through profit & loss

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets that are measured at FVTPL category are subsequently measured at fair value. Changes in fair value are recorded in the statement of income. Profit earned on assets mandatorily required to be measured at FVTPL is recorded using a contractual profit rate. Dividend income is recorded in the statement of income when the right to the payment has been established.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all of the risks and rewards and has retained control of the asset, the asset continues to be recognized only to the extent of the Company's continuing involvement, in which case, the Company also recognizes an associated liability. The transferred assets and the associated liabilities are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the carrying amount at the date of derecognition and the consideration received (including any new asset obtained less any new liability assumed) is recognized in the statement of income or statement of comprehensive income as the case may be.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost and debt investments measured at FVOCI.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of resources; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Expected credit losses are recognized in two stages, 12-month expected credit losses and Lifetime expected credit losses.

The Company measures 12-month expected credit losses in following cases:

- debt securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) for which credit risk has not increased significantly since initial recognition

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument, whereas 12-month expected credit losses are the portion of expected credit losses that results from default events that are possible within the 12 months after the reporting date. In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

Credit impaired financial assets

At each reporting date, the Company assesses whether financial assets measured at amortized cost and debt investments at FVOCI are credit impaired. The Company considers a financial asset to be in default (credit impaired) when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. It is the Company's policy to measure such instruments on a 12-month ECL (12mECL) basis.

The Company does, however, consider that there has been a significant increase in credit risk for a previously assessed low credit risk investment when any contractual payments on these instruments are more than 30 days past due or there is a downgrade in credit ratings by two notches or more compare to the credit rating at the beginning of the financial reporting period.

Recognition:

Losses are recognized in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset (either partially or in full), the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease is related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed in profit or loss.

Presentation of loss allowances in the statement of financial position:

Loss allowances for expected credit losses are presented as follows:

- financial assets measured at amortized cost: the loss allowance is deducted from the gross carrying amount of the assets;
- the ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortized cost is recognized in the statement of comprehensive income with a corresponding charge to the statement of income.

The calculation of ECLs

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information.
- EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and profit, whether scheduled by contract or otherwise, and accrued profit from missed payments.
- LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive. It is usually expressed as a percentage of the EAD.

The Company allocates its assets subject to ECL calculations to one of these categories, determined as follows:

Stage 1- 12-month ECL (12mECL)

The 12mECL is calculated as the portion of lifetime ECLs (LTECLs) that represent the ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an appropriate effective profit rate (EIR).

Stage 2- LTECL

When an instrument has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected losses are discounted by an appropriate EIR.

Stage 3- Credit impaired

For debt instruments considered credit-impaired, the Company recognizes the lifetime expected credit losses for these instruments. The method is similar to that for LTECL assets, with the PD set at 100%.

Forward looking information

In its ECL models, the Company relies on a broad range of forward-looking information as economic inputs, such as:

- GDP growth
- Inflation

iv) Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to expected credit loss expense. There were no write-offs over the period reported in these financial statements.

v) Receivable from agents

Insurance contracts sold via agents where agents have collected the premiums from the insured and not yet paid to the Company are classified as "receivable from agents". The balances are outside the contract boundary of insurance contracts issued and are subject to impairment assessment based on IFRS 9. Under IFRS 9, the Company measures the loss allowance at an amount equal to lifetime expected credit losses for Insurance receivables embedded within the LRC.

vi) Liability adequacy test

At each statement of financial position date, liability adequacy tests are performed to ensure the adequacy of the insurance contracts liabilities net of related deferred policy acquisition costs. In performing these tests management uses current best estimates of future contractual cash flows and claims handling and administration expenses. Any deficiency in the carrying amounts is immediately charged to the statement of income by establishing a premium deficiency reserve arising from liability adequacy tests accordingly.

vii) Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expense is not offset unless required or permitted by any accounting standard or interpretation.

viii) Trade date accounting

All regular way purchases and sales of financial assets are recognized / derecognized on the trade date (i.e. the date that the Company commits to purchase or sell the assets). Regular way purchases or sales are purchases or sales of financial assets that require settlement of assets within the time frame generally established by regulation or convention in the marketplace.

ix) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any impairment losses. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of income during the financial period in which they are incurred. Land is not depreciated. The cost of other items of property and equipment is depreciated on the straight-line method to allocate the cost over estimated useful lives, as follows:

	Years
Leasehold fixtures	6
Furniture and fixtures	5
Computers	4
IT equipment	3 - 4
Vehicles	5
Right of use assets	5 - 10

The assets' residual values and useful lives are reviewed at each reporting date and adjusted if appropriate. The carrying values of these assets are reviewed for impairment when an event or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Capital work-in-progress includes property that is being developed for future use. When commissioned, capital work-in-progress will be transferred to the respective category within property and equipment, and depreciated in accordance with the Company's policy.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in "Other income, net" in the statement of income.

x) Intangible assets

Separately acquired intangible assets are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses. The Company amortizes intangible assets with a limited useful life using straight-line method over the following periods:

	Years
IT development and software	5
Customer relationship - Group life	13
Customer relationship - Individual life	12
Customer relationship - ATMC	6
Broker channels - ATMC	6

xi) Goodwill

Goodwill represents the fair value of the consideration paid in excess of the fair value of net assets or liabilities acquired. Goodwill is tested for impairment by management at least once at the end of each financial year. Impairment for goodwill is determined by assessing the recoverable amount of the cash generating unit (or a group of cash generating units) to which the goodwill is related. When the recoverable amount of the cash-generating unit (or a group of cash generating units) is less than the carrying amount of the cash generating unit (or a group of cash generating units) to which goodwill has been allocated, an impairment loss is recognized. Impairment losses, if any, relating to goodwill cannot be reversed in future periods.

xii) Impairment of non-financial assets

Assets that have an indefinite useful life – for example, land – are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Impairment testing of goodwill: The Company's management tests, on an annual basis, whether goodwill arising on merger has suffered any impairment. This requires an estimation of the recoverable amount of the CGU to which goodwill has been allocated. The key assumptions used in determining the recoverable amounts are set out in Note 15.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units).

xiii) Provisions, accrued expenses and other liabilities

Provisions are recognized when the Company has an obligation (legal or constructive) arising from past events, and the costs of settling the obligation are both probable and may be measured reliably. Provisions are not recognized for future operating losses. Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

xiv) Provision for end-of-service benefits (EOSB)

The Company operates an end of service benefit plan for its employees based on the prevailing Saudi Labor Laws. Accruals are made at the present value of expected future payments in respect of services provided by the employees up to the end of the reporting period using the projected unit credit method. Consideration is given to the expected future wages and salary levels, experience of employee departures and period of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate sukuks like dollar denominated KSA Sovereign Sukuks with terms and currencies that match, as closely as possible, the estimated future cash outflows. The benefit payments obligation is discharged as and when it falls due. Re-measurements (actuarial gains/ losses) as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of comprehensive income.

xv) Leases

The Company as lessee

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

The Company assesses whether the contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these short-term leases and leases of low value assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is subsequently measured by increasing the carrying amount to reflect profit on the lease liability (using effective profit method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating profit rate, in which case a revise discount rate is used).
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The Company did not make any such adjustments during the periods presented.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

xvi) Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's shareholders.

xvii) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balances with banks including certain time deposits with less than three months maturity from the date of acquisition.

xviii) Short-term deposits

Short-term deposits comprise of time deposits with banks with maturity periods of more than three months and less than one year from the date of acquisition.

xix) Cash flow statement

The Company's main cash flows are from insurance operations which are classified as cash flow from operating activities. Cash flows generated from investing and financing activities are classified accordingly.

xx) Foreign currencies

Transactions in foreign currencies are recorded in Saudi Riyals at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to Saudi Arabian Riyals at the rate of exchange prevailing at the statement of financial position date. All differences are taken to the statements of income and comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as of the date of the initial transaction and are not subsequently restated. Foreign exchange gains or losses on available-for-sale investments are recognized in "Other income, net" in the statement of income and statement of comprehensive income. As the Company's foreign currency transactions are primarily in US dollars, foreign exchange gains and losses are not significant.

xxi) Zakat and taxes

Zakat and income tax are provided in accordance with the Regulations of the Zakat, Tax and Customs Authority (ZATCA) in the Kingdom of Saudi Arabia. Zakat provision is charged to the statement of income. Zakat is computed on the Saudi shareholder's share of the zakat base, while income tax is calculated on the foreign shareholder's share of adjusted net income. Income tax is charged to the statement of income. The Company is settling the zakat and income tax annually to ZATCA whereas Zakat and income tax is accrued on a quarterly basis.

On 22 March 2024, ZATCA announced the issuance of a new Zakat Implementing Regulation, through the Ministerial Resolution (MR) No.1007 dated 29 February 2024, which was electronically published in the Official Gazette (Umm Al-Qura) on 21 March 2024. The new Zakat regulation is replacing the current regulation issued through MR No. 2216 dated 14 March 2019.

Withholding tax

The Company withholds taxes on certain transactions with non-resident parties in the KSA, including dividend payments to the non-resident shareholders, as required under Saudi Arabian Income Tax Law.

Value added tax

Expenses and assets are recognized net of the amount of value added tax, except:

- When the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of value added tax included. The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for the taxation purposes. The amount of deferred tax is based on the expected manner of realization or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available and the credits can be utilized. The deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefits will be realized.

xxii) Statutory reserve

In accordance with the Company's by-laws, the Company shall allocate 20% of its annual net income from shareholders' operations each year to the statutory reserve until it has built up a reserve equal to the share capital. The reserve is not available for distribution.

xxiii) Operating segments

A segment is a distinguishable component of the Company that is engaged in providing products or services (a business segment), which is subject to risk and rewards that are different from those of other segments. For management purposes, the Company is organized into business units based on their products and services and has the following reportable segments:

- Medical insurance provides coverage for health insurance.
- Motor insurance provides coverage for vehicles' insurance.
- Property insurance provides coverage for property insurance.
- Engineering insurance provides coverage for engineering and contract works.
- Protection and savings insurance non-linked provides coverage for life insurance
- Protection and savings insurance linked provides coverage for life insurance
- Other insurance provides coverage for marine and other general insurance.

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

No inter-segment transactions occurred during the year. If any transaction was to occur, transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties.

Shareholders' income is a non-operating segment. Income earned from time deposits and investments is the only revenue generating activity. Certain direct operating expenses and other overhead expenses are allocated to this segment on an appropriate basis.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the chief executive officer that makes strategic decisions.

xxiv) Income from pool arrangements

The Company participated in pool arrangements of Hajj & Umrah and COVID-19 which is managed by The Company for Cooperative Insurance. The Company does not have control over the arrangement and therefore does not account for this as a joint arrangement. The Company recognises its net share from the arrangement as share of surplus from insurance pools' in its statement of income.

xxv) Inherent defects insurance pool

On 25 June 2020, a Joint Venture agreement was signed among thirteen insurance companies ("Participating Companies") operating in Kingdom of Saudi Arabia for IDI product, based on SAMA approval authorizing Malath Cooperative Insurance Company 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 Cooperative Insurance Company will exclusively manage the portfolio during the period of validity of the IDI agreement of five years from issue date.

The Company adopted proportionate consolidation to account for its share in this pool.

xxvi) Employers' delinquency insurance pool

On 03 Novemner 2024, co-insurance agreement was signed among nineteen insurance companies ("Participating Companies") operating in Kingdom of Saudi Arabia for Employers Delinquency Pool, based on the approval of Insurance Authority authorizing Al-Etihad Cooperative Insurance Company as the leading company ("Operator"), to manage the ED program on behalf of the participating insurance companies, selling the product and providing its insurance coverage by creating joint insurance portfolios.

The Company adopted proportionate consolidation to account for its share in this pool.

4. INSURANCE AND REINSURANCE CONTRACTS

The breakdown of the Company's insurance and reinsurance contracts issued, and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

Insurance contract assets & liabilities	Valuation Approach	31 December 2025		31 December 2024	
		Assets	Liabilities	Assets	Liabilities
4.1.1.1 Medical	PAA	0	281,170	0	226,097
4.1.1.2 Motor	PAA	0	236,893	0	233,983
4.1.1.3 Property	PAA	0	94,498	0	84,837
4.1.1.4 Engineering	PAA	0	119,681	0	40,564
4.1.1.5 P&S - non-linked	PAA	44	308,901	44	202,825
4.1.1.6 Others	PAA	786	339,299	4,098	284,096
4.1.1 Total – PAA		**830**	**1,380,442**	**4,142**	**1,072,402**
4.2.1.1 Engineering	GMM	0	29,303	0	36,682
4.2.1.2 P&S - linked	VFA	0	1,561,616	0	668,444
4.2.1 Total – VFA / GMM		**0**	**1,590,919**	**0**	**705,126**
Total insurance contract assets & liabilities		**830**	**2,971,361**	**4,142**	**1,777,528**

Reinsurance contract assets & liabilities	Valuation Approach	31 December 2025		31 December 2024	
		Assets	Liabilities	Assets	Liabilities
4.1.2.1 Medical	PAA	0	0	0	0
4.1.2.2 Motor	PAA	13,827	4,299	17,003	5,635
4.1.2.3 Property	PAA	97,640	0	84,380	0
4.1.2.4 Engineering	PAA	104,461	0	24,374	0
4.1.2.5 P&S - non-linked	PAA	246,777	7	141,128	7
4.1.2.6 Others	PAA	289,375	115	240,363	470
4.1.2 Total – PAA		**752,080**	**4,421**	**507,248**	**6,112**
4.2.2.1 Engineering	GMM	15,425	0	25,947	0
4.2.2.2 P&S - linked	VFA	4,294	0	3,222	0
4.2.1 Total – VFA / GMM		**19,719**	**0**	**29,169**	**0**
Total reinsurance contract assets & liabilities		**771,799**	**4,421**	**536,417**	**6,112**

4.1.1 Analysis of insurance contract assets and liabilities for contracts measured under PAA

All portfolios / segments under PAA	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening insurance contract liabilities	320,873	47,675	680,843	23,011	1,072,402	347,068	31,937	515,585	17,206	911,796
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	(10,712)	0	6,570	0	(4,142)	0	0	(44)	0	(44)
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**310,161**	**47,675**	**687,413**	**23,011**	**1,068,260**	**347,068**	**31,937**	**515,541**	**17,206**	**911,752**
Changes in the statement of income										
Insurance revenue	(1,834,748)	0	0	0	(1,834,748)	(1,541,223)	0	0	0	(1,541,223)
Insurance service expenses										
Incurred claims	0	0	1,761,336	26,442	1,787,778	0	0	1,231,693	14,316	1,246,009
Directly attributable non-acquisition expenses	0	0	66,740	0	66,740	0	0	69,152	0	69,152
Changes relating to liabilities for incurred claims	0	0	(81,882)	(13,041)	(94,923)	0	0	(47,805)	(9,589)	(57,394)
Losses / (loss reversals) on onerous contracts	0	(7,369)	0	0	(7,369)	0	15,738	0	0	15,738
Insurance acquisition costs incurred	144,663	0	0	0	144,663	136,384	0	0	0	136,384
Surplus distribution to policyholders	0	0	0	0	0	0	0	3,398	0	3,398
Insurance service expenses	**144,663**	**(7,369)**	**1,746,194**	**13,401**	**1,896,889**	**136,384**	**15,738**	**1,256,438**	**4,727**	**1,413,287**
Insurance service result	**(1,690,085)**	**(7,369)**	**1,746,194**	**13,401**	**62,141**	**(1,404,839)**	**15,738**	**1,256,438**	**4,727**	**(127,936)**
Other movements	67,434	0	(67,434)	0	0	581	0	(581)	0	0
Net finance expense/(income) from insurance contracts	0	0	17,824	1,284	19,108	0	0	9,732	1,077	10,809
Total changes in the statement of income	**(1,622,651)**	**(7,369)**	**1,696,584**	**14,685**	**81,249**	**(1,404,258)**	**15,738**	**1,265,589**	**5,804**	**(117,127)**
Investment components	0	0	0	0	0	0	0	0	0	0
Cash flows										
Premiums received	1,783,400	0	0	0	1,783,400	1,565,807	0	0	0	1,565,807
Claims paid	0	0	(1,379,654)	0	(1,379,654)	0	0	(1,074,544)	0	(1,074,544)
Directly attributable non- acquisition expenses paid	0	0	(66,740)	0	(66,740)	0	0	(69,068)	0	(69,068)
Insurance acquisition cash flows	(137,022)	0	0	0	(137,022)	(198,646)	0	0	0	(198,646)
Other cash flows	(5,805)	0	35,924	0	30,119	190	0	49,895	1	50,086
Total cash flows	**1,640,573**	**0**	**(1,410,470)**	**0**	**230,103**	**1,367,351**	**0**	**(1,093,717)**	**1**	**273,635**
Net closing balance	**328,083**	**40,306**	**973,527**	**37,696**	**1,379,612**	**310,161**	**47,675**	**687,413**	**23,011**	**1,068,260**
Closing insurance contract liabilities	330,893	40,306	971,547	37,696	1,380,442	320,873	47,675	680,843	23,011	1,072,402
Closing insurance contract assets	(2,810)	0	1,980	0	(830)	(10,712)	0	6,570	0	(4,142)
Net closing balance	**328,083**	**40,306**	**973,527**	**37,696**	**1,379,612**	**310,161**	**47,675**	**687,413**	**23,011**	**1,068,260**

Medical	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening insurance contract liabilities	59,357	28,504	135,905	2,331	226,097	91,113	21,674	112,578	2,873	228,238
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**59,357**	**28,504**	**135,905**	**2,331**	**226,097**	**91,113**	**21,674**	**112,578**	**2,873**	**228,238**
Changes in the statement of income										
Insurance revenue	(707,025)	0	0	0	(707,025)	(542,813)	0	0	0	(542,813)
Insurance service expenses										
Incurred claims	0	0	707,265	3,709	710,974	0	0	522,722	2,356	525,078
Directly attributable non-acquisition expenses	0	0	25,858	0	25,858	0	0	25,002	0	25,002
Changes relating to liabilities for incurred claims	0	0	(752)	(2,337)	(3,089)	0	0	(23,739)	(3,079)	(26,818)
Losses / (loss reversals) on onerous contracts	0	820	0	0	820	0	6,830	0	0	6,830
Insurance acquisition costs incurred	54,319	0	0	0	54,319	39,739	0	0	0	39,739
Surplus distribution to policyholders	0	0	0	0	0	0	0	1,206	0	1,206
Insurance service expenses	**54,319**	**820**	**732,371**	**1,372**	**788,882**	**39,739**	**6,830**	**525,191**	**(723)**	**571,037**
Insurance service result	**(652,706)**	**820**	**732,371**	**1,372**	**81,857**	**(503,074)**	**6,830**	**525,191**	**(723)**	**28,224**
Other movements	2,701	0	(2,701)	0	0	498	0	(498)	0	0
Net finance expense/(income) from insurance contracts	0	0	1,489	130	1,619	0	0	1,337	180	1,517
Total changes in the statement of income	**(650,005)**	**820**	**731,159**	**1,502**	**83,476**	**(502,576)**	**6,830**	**526,030**	**(543)**	**29,741**
Investment components	0	0	0	0	0	0	0	0	0	0
Cash flows										
Premiums received	685,820	0	0	0	685,820	558,821	0	0	0	558,821
Claims paid	0	0	(647,260)	0	(647,260)	0	0	(510,337)	0	(510,337)
Directly attributable non- acquisition expenses paid	0	0	(25,858)	0	(25,858)	0	0	(25,002)	0	(25,002)
Insurance acquisition cash flows	(48,064)	0	0	0	(48,064)	(88,001)	0	0	0	(88,001)
Other cash flows	0	0	6,959	0	6,959	0	0	32,636	1	32,637
Total cash flows	**637,756**	**0**	**(666,159)**	**0**	**(28,403)**	**470,820**	**0**	**(502,703)**	**1**	**(31,882)**
Net closing balance	**47,108**	**29,324**	**200,905**	**3,833**	**281,170**	**59,357**	**28,504**	**135,905**	**2,331**	**226,097**
Closing insurance contract liabilities	47,108	29,324	200,905	3,833	281,170	59,357	28,504	135,905	2,331	226,097
Closing insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net closing balance	**47,108**	**29,324**	**200,905**	**3,833**	**281,170**	**59,357**	**28,504**	**135,905**	**2,331**	**226,097**

Motor	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening insurance contract liabilities	86,635	19,010	126,545	1,793	233,983	68,531	9,418	140,078	2,402	220,429
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**86,635**	**19,010**	**126,545**	**1,793**	**233,983**	**68,531**	**9,418**	**140,078**	**2,402**	**220,429**
Changes in the statement of income										
Insurance revenue	(418,054)	0	0	0	(418,054)	(315,021)	0	0	0	(315,021)
Insurance service expenses										
Incurred claims	0	0	397,635	1,400	399,035	0	0	241,148	1,045	242,193
Directly attributable non-acquisition expenses	0	0	9,007	0	9,007	0	0	11,476	0	11,476
Changes relating to liabilities for incurred claims	0	0	(329)	(1,306)	(1,635)	0	0	(30,411)	(1,804)	(32,215)
Losses / (loss reversals) on onerous contracts	0	(11,168)	0	0	(11,168)	0	9,592	0	0	9,592
Insurance acquisition costs incurred	44,818	0	0	0	44,818	43,136	0	0	0	43,136
Surplus distribution to policyholders	0	0	0	0	0	0	0	690	0	690
Insurance service expenses	**44,818**	**(11,168)**	**406,313**	**94**	**440,057**	**43,136**	**9,592**	**222,903**	**(759)**	**274,872**
Insurance service result	**(373,236)**	**(11,168)**	**406,313**	**94**	**22,003**	**(271,885)**	**9,592**	**222,903**	**(759)**	**(40,149)**
Other movements	1,590	0	(1,590)	0	0	306	0	(306)	0	0
Net finance expense/(income) from insurance contracts	0	0	3,661	100	3,761	0	0	3,265	150	3,415
Total changes in the statement of income	**(371,646)**	**(11,168)**	**408,384**	**194**	**25,764**	**(271,579)**	**9,592**	**225,862**	**(609)**	**(36,734)**
Investment components	0	0	0	0	0	0	0	0	0	0
Cash flows										
Premiums received	411,897	0	0	0	411,897	345,877	0	0	0	345,877
Claims paid	0	0	(368,001)	0	(368,001)	0	0	(240,471)	0	(240,471)
Directly attributable non- acquisition expenses paid	0	0	(9,007)	0	(9,007)	0	0	(11,476)	0	(11,476)
Insurance acquisition cash flows	(44,631)	0	0	0	(44,631)	(56,194)	0	0	0	(56,194)
Other cash flows	0	0	(13,112)	0	(13,112)	0	0	12,552	0	12,552
Total cash flows	**367,266**	**0**	**(390,120)**	**0**	**(22,854)**	**289,683**	**0**	**(239,395)**	**0**	**50,288**
Net closing balance	**82,255**	**7,842**	**144,809**	**1,987**	**236,893**	**86,635**	**19,010**	**126,545**	**1,793**	**233,983**
Closing insurance contract liabilities	82,255	7,842	144,809	1,987	236,893	86,635	19,010	126,545	1,793	233,983
Closing insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net closing balance	**82,255**	**7,842**	**144,809**	**1,987**	**236,893**	**86,635**	**19,010**	**126,545**	**1,793**	**233,983**

	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
Property	**Excluding loss component**	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**	**Excluding loss component**	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**
Opening insurance contract liabilities	(5,313)	10	88,087	2,053	84,837	8,635	0	49,639	860	59,134
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**(5,313)**	**10**	**88,087**	**2,053**	**84,837**	**8,635**	**0**	**49,639**	**860**	**59,134**
Changes in the statement of income										
Insurance revenue	(168,244)	0	0	0	(168,244)	(137,169)	0	0	0	(137,169)
Insurance service expenses										
Incurred claims	0	0	67,722	985	68,707	0	0	36,437	1,269	37,706
Directly attributable non-acquisition expenses	0	0	12,791	0	12,791	0	0	7,567	0	7,567
Changes relating to liabilities for incurred claims	0	0	(22,376)	(683)	(23,059)	0	0	13,353	(130)	13,223
Losses / (loss reversals) on onerous contracts	0	(10)	0	0	(10)	0	10	0	0	10
Insurance acquisition costs incurred	14,156	0	0	0	14,156	14,228	0	0	0	14,228
Surplus distribution to policyholders	0	0	0	0	0	0	0	301	0	301
Insurance service expenses	**14,156**	**(10)**	**58,137**	**302**	**72,585**	**14,228**	**10**	**57,658**	**1,139**	**73,035**
Insurance service result	**(154,088)**	**(10)**	**58,137**	**302**	**(95,659)**	**(122,941)**	**10**	**57,658**	**1,139**	**(64,134)**
Other movements	6,264	0	(6,264)	0	0	(667)	0	667	0	0
Net finance expense/(income) from insurance contracts	0	0	3,078	115	3,193	0	0	1,231	54	1,285
Total changes in the statement of income	**(147,824)**	**(10)**	**54,951**	**417**	**(92,466)**	**(123,608)**	**10**	**59,556**	**1,193**	**(62,849)**
Investment components	0	0	0	0	0	0	0	0	0	0
Cash flows										
Premiums received	160,881	0	0	0	160,881	125,136	0	0	0	125,136
Claims paid	0	0	(38,662)	0	(38,662)	0	0	(16,051)	0	(16,051)
Directly attributable non- acquisition expenses paid	0	0	(12,791)	0	(12,791)	0	0	(7,567)	0	(7,567)
Insurance acquisition cash flows	(14,858)	0	0	0	(14,858)	(15,476)	0	0	0	(15,476)
Other cash flows	0	0	7,557	0	7,557	0	0	2,510	0	2,510
Total cash flows	**146,023**	**0**	**(43,896)**	**0**	**102,127**	**109,660**	**0**	**(21,108)**	**0**	**88,552**
Net closing balance	**(7,114)**	**0**	**99,142**	**2,470**	**94,498**	**(5,313)**	**10**	**88,087**	**2,053**	**84,837**
Closing insurance contract liabilities	(7,114)	0	99,142	2,470	94,498	(5,313)	10	88,087	2,053	84,837
Closing insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net closing balance	**(7,114)**	**0**	**99,142**	**2,470**	**94,498**	**(5,313)**	**10**	**88,087**	**2,053**	**84,837**

Engineering	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening insurance contract liabilities	13,493	74	26,345	652	40,564	26,424	23	11,757	254	38,458
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**13,493**	**74**	**26,345**	**652**	**40,564**	**26,424**	**23**	**11,757**	**254**	**38,458**
Changes in the statement of income										
Insurance revenue	(31,762)	0	0	0	(31,762)	(36,183)	0	0	0	(36,183)
Insurance service expenses										
Incurred claims	0	0	93,368	2,170	95,538	0	0	17,919	568	18,487
Directly attributable non-acquisition expenses	0	0	3,832	0	3,832	0	0	2,682	0	2,682
Changes relating to liabilities for incurred claims	0	0	(12,217)	(362)	(12,579)	0	0	(4,109)	(186)	(4,295)
Losses / (loss reversals) on onerous contracts	0	16	0	0	16	0	51	0	0	51
Insurance acquisition costs incurred	4,013	0	0	0	4,013	5,249	0	0	0	5,249
Surplus distribution to policyholders	0	0	0	0	0	0	0	83	0	83
Insurance service expenses	**4,013**	**16**	**84,983**	**1,808**	**90,820**	**5,249**	**51**	**16,575**	**382**	**22,257**
Insurance service result	**(27,749)**	**16**	**84,983**	**1,808**	**59,058**	**(30,934)**	**51**	**16,575**	**382**	**(13,926)**
Other movements	925	0	(925)	0	0	76	0	(76)	0	0
Net finance expense/(income) from insurance contracts	0	0	952	36	988	0	0	297	16	313
Total changes in the statement of income	**(26,824)**	**16**	**85,010**	**1,844**	**60,046**	**(30,858)**	**51**	**16,796**	**398**	**(13,613)**
Investment components	0	0	0	0	0	0	0	0	0	0
Cash flows										
Premiums received	22,895	0	0	0	22,895	24,327	0	0	0	24,327
Claims paid	0	0	(1,898)	0	(1,898)	0	0	(2,120)	0	(2,120)
Directly attributable non- acquisition expenses paid	0	0	(3,832)	0	(3,832)	0	0	(2,598)	0	(2,598)
Insurance acquisition cash flows	(3,633)	0	0	0	(3,633)	(6,400)	0	0	0	(6,400)
Other cash flows	0	0	5,539	0	5,539	0	0	2,510	0	2,510
Total cash flows	**19,262**	**0**	**(191)**	**0**	**19,071**	**17,927**	**0**	**(2,208)**	**0**	**15,719**
Net closing balance	**5,931**	**90**	**111,164**	**2,496**	**119,681**	**13,493**	**74**	**26,345**	**652**	**40,564**
Closing insurance contract liabilities	5,931	90	111,164	2,496	119,681	13,493	74	26,345	652	40,564
Closing insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net closing balance	**5,931**	**90**	**111,164**	**2,496**	**119,681**	**13,493**	**74**	**26,345**	**652**	**40,564**

Protection and Saving (P&S) – Non-linked	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening insurance contract liabilities	547	0	189,191	13,087	202,825	(22,738)	0	156,986	9,905	144,153
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	(44)	0	(44)	0	0	(44)	0	(44)
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**547**	**0**	**189,147**	**13,087**	**202,781**	**(22,738)**	**0**	**156,942**	**9,905**	**144,109**
Changes in the statement of income										
Insurance revenue	(398,043)	0	0	0	(398,043)	(375,701)	0	0	0	(375,701)
Insurance service expenses										
Incurred claims	0	0	440,650	17,270	457,920	0	0	348,864	7,641	356,505
Directly attributable non-acquisition expenses	0	0	8,149	0	8,149	0	0	14,869	0	14,869
Changes relating to liabilities for incurred claims	0	0	(15,031)	(6,311)	(21,342)	0	0	(37,564)	(5,079)	(42,643)
Losses / (loss reversals) on onerous contracts	0	0	0	0	0	0	0	0	0	0
Insurance acquisition costs incurred	13,502	0	0	0	13,502	17,251	0	0	0	17,251
Surplus distribution to policyholders	0	0	0	0	0	0	0	824	0	824
Insurance service expenses	**13,502**	**0**	**433,768**	**10,959**	**458,229**	**17,251**	**0**	**326,993**	**2,562**	**346,806**
Insurance service result	**(384,541)**	**0**	**433,768**	**10,959**	**60,186**	**(358,450)**	**0**	**326,993**	**2,562**	**(28,895)**
Other movements	52,434	0	(52,434)	0	0	382	0	(382)	0	0
Net finance expense/(income) from insurance contracts	0	0	4,245	730	4,975	0	0	2,660	620	3,280
Total changes in the statement of income	**(332,107)**	**0**	**385,579**	**11,689**	**65,161**	**(358,068)**	**0**	**329,271**	**3,182**	**(25,615)**
Investment components	0	0	0	0	0	0	0	0	0	0
Cash flows										
Premiums received	343,299	0	0	0	343,299	399,063	0	0	0	399,063
Claims paid	0	0	(288,043)	0	(288,043)	0	0	(281,886)	0	(281,886)
Directly attributable non- acquisition expenses paid	0	0	(8,149)	0	(8,149)	0	0	(14,869)	0	(14,869)
Insurance acquisition cash flows	(10,388)	0	0	0	(10,388)	(17,424)	0	0	0	(17,424)
Other cash flows	(45)	0	4,241	0	4,196	(286)	0	(311)	0	(597)
Total cash flows	**332,866**	**0**	**(291,951)**	**0**	**40,915**	**381,353**	**0**	**(297,066)**	**0**	**84,287**
Net closing balance	**1,306**	**0**	**282,775**	**24,776**	**308,857**	**547**	**0**	**189,147**	**13,087**	**202,781**
Closing insurance contract liabilities	1,306	0	282,819	24,776	308,901	547	0	189,191	13,087	202,825
Closing insurance contract assets	0	0	(44)	0	(44)	0	0	(44)	0	(44)
Net closing balance	**1,306**	**0**	**282,775**	**24,776**	**308,857**	**547**	**0**	**189,147**	**13,087**	**202,781**

Others	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening insurance contract liabilities	166,154	77	114,770	3,095	284,096	175,103	822	44,547	912	221,384
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	(10,712)	0	6,614	0	(4,098)	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**155,442**	**77**	**121,384**	**3,095**	**279,998**	**175,103**	**822**	**44,547**	**912**	**221,384**
Changes in the statement of income										
Insurance revenue	(111,620)	0	0	0	(111,620)	(134,336)	0	0	0	(134,336)
Insurance service expenses										
Incurred claims	0	0	54,696	908	55,604	0	0	64,603	1,437	66,040
Directly attributable non-acquisition expenses	0	0	7,103	0	7,103	0	0	7,556	0	7,556
Changes relating to liabilities for incurred claims	0	0	(31,177)	(2,042)	(33,219)	0	0	34,665	689	35,354
Losses / (loss reversals) on onerous contracts	0	2,973	0	0	2,973	0	(745)	0	0	(745)
Insurance acquisition costs incurred	13,855	0	0	0	13,855	16,781	0	0	0	16,781
Surplus distribution to policyholders	0	0	0	0	0	0	0	294	0	294
Insurance service expenses	**13,855**	**2,973**	**30,622**	**(1,134)**	**46,316**	**16,781**	**(745)**	**107,118**	**2,126**	**125,280**
Insurance service result	**(97,765)**	**2,973**	**30,622**	**(1,134)**	**(65,304)**	**(117,555)**	**(745)**	**107,118**	**2,126**	**(9,056)**
Other movements	3,520	0	(3,520)	0	0	(14)	0	14	0	0
Net finance expense/(income) from insurance contracts	0	0	4,399	173	4,572	0	0	942	57	999
Total changes in the statement of income	**(94,245)**	**2,973**	**31,501**	**(961)**	**(60,732)**	**(117,569)**	**(745)**	**108,074**	**2,183**	**(8,057)**
Investment components	0	0	0	0	0	0	0	0	0	0
Cash flows										
Premiums received	158,608	0	0	0	158,608	112,583	0	0	0	112,583
Claims paid	0	0	(35,790)	0	(35,790)	0	0	(23,679)	0	(23,679)
Directly attributable non- acquisition expenses paid	0	0	(7,103)	0	(7,103)	0	0	(7,556)	0	(7,556)
Insurance acquisition cash flows	(15,448)	0	0	0	(15,448)	(15,151)	0	0	0	(15,151)
Other cash flows	(5,760)	0	24,740	0	18,980	476	0	(2)	0	474
Total cash flows	**137,400**	**0**	**(18,153)**	**0**	**119,247**	**97,908**	**0**	**(31,237)**	**0**	**66,671**
Net closing balance	**198,597**	**3,050**	**134,732**	**2,134**	**338,513**	**155,442**	**77**	**121,384**	**3,095**	**279,998**
Closing insurance contract liabilities	201,407	3,050	132,708	2,134	339,299	166,154	77	114,770	3,095	284,096
Closing insurance contract assets	(2,810)	0	2,024	0	(786)	(10,712)	0	6,614	0	(4,098)
Net closing balance	**198,597**	**3,050**	**134,732**	**2,134**	**338,513**	**155,442**	**77**	**121,384**	**3,095**	**279,998**

4.1.2 Analysis of reinsurance contract assets and liabilities for contracts measured under PAA

All portfolios / segments under PAA	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening reinsurance contract liabilities	(12,822)	0	6,710	0	(6,112)	0	0	(2,954)	0	(2,954)
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	128,594	94	362,482	16,078	507,248	40,377	681	367,737	10,454	419,249
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0	2	2
Net opening balance	**115,772**	**94**	**369,192**	**16,078**	**501,136**	**40,377**	**681**	**364,783**	**10,456**	**416,297**
Changes in the statement of income										
Allocation of reinsurance premiums	(542,176)	0	0	0	(542,176)	(506,487)	0	0	0	(506,487)
Amounts recoverable from reinsurers										
Incurred claims & other expenses	0	0	557,153	18,952	576,105	0	0	372,665	6,464	379,129
Changes in amounts recoverable on incurred claims	0	0	(63,484)	(7,912)	(71,396)	0	0	8,233	(1,497)	6,736
Loss recovery / (loss recovery reversals)	0	479	0	0	479	0	(587)	0	0	(587)
Change in provision for risk of non-performance	0	0	57	0	57	0	0	44	0	44
Change in profit commission / sliding scale commission	0	0	0	0	0	0	0	0	0	0
Total amounts recoverable from reinsurers	**0**	**479**	**493,726**	**11,040**	**505,245**	**0**	**(587)**	**380,942**	**4,967**	**385,322**
Net expense from reinsurance contracts held	**(542,176)**	**479**	**493,726**	**11,040**	**(36,931)**	**(506,487)**	**(587)**	**380,942**	**4,967**	**(121,165)**
Net finance expense from reinsurance contracts	0	0	11,785	897	12,682	0	0	6,069	655	6,724
Total changes in the statement of income	**(542,176)**	**479**	**505,511**	**11,937**	**(24,249)**	**(506,487)**	**(587)**	**387,011**	**5,622**	**(114,441)**
Other movements	30,603	0	(30,603)	0	0	5,942	0	(5,942)	0	0
Cash flows										
Premiums paid	592,037	0	0	0	592,037	542,735	0	0	0	542,735
Claims and other recoveries	(3,378)	0	(284,629)	0	(288,007)	69,198	0	(376,661)	0	(307,463)
Reinsurance commission received	(33,259)	0	0	0	(33,259)	(35,994)	0	0	0	(35,994)
Other cash flows	0	0	0	1	1	1	0	1	0	2
Total cash flows	**555,400**	**0**	**(284,629)**	**1**	**270,772**	**575,940**	**0**	**(376,660)**	**0**	**199,280**
Net closing balance	**159,599**	**573**	**559,471**	**28,016**	**747,659**	**115,772**	**94**	**369,192**	**16,078**	**501,136**
Closing reinsurance contract liabilities	(1,552)	0	(2,869)	0	(4,421)	(12,822)	0	6,710	0	(6,112)
Closing reinsurance contract assets	161,151	573	562,340	28,016	752,080	128,594	94	362,482	16,078	507,248
Net closing balance	**159,599**	**573**	**559,471**	**28,016**	**747,659**	**115,772**	**94**	**369,192**	**16,078**	**501,136**

Motor	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening reinsurance contract liabilities	12	0	(5,647)	0	(5,635)	0	0	(2,947)	0	(2,947)
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	0	0	16,663	340	17,003	(234)	0	38,111	583	38,460
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**12**	**0**	**11,016**	**340**	**11,368**	**(234)**	**0**	**35,164**	**583**	**35,513**
Changes in the statement of income										
Allocation of reinsurance premiums	(9,356)	0	0	0	(9,356)	(4,940)	0	0	0	(4,940)
Amounts recoverable from reinsurers										
Incurred claims & other expenses	0	0	0	0	0	0	0	0	0	0
Changes in amounts recoverable on incurred claims	0	0	(688)	(143)	(831)	0	0	(8,646)	(280)	(8,926)
Loss recovery / (loss recovery reversals)	0	0	0	0	0	0	0	0	0	0
Change in provision for risk of non-performance	0	0	1	0	1	0	0	6	0	6
Change in profit commission / sliding scale commission	0	0	0	0	0	0	0	0	0	0
Total amounts recoverable from reinsurers	**0**	**0**	**(687)**	**(143)**	**(830)**	**0**	**0**	**(8,640)**	**(280)**	**(8,920)**
Net expense from reinsurance contracts held	**(9,356)**	**0**	**(687)**	**(143)**	**(10,186)**	**(4,940)**	**0**	**(8,640)**	**(280)**	**(13,860)**
Net finance income/(expense) from reinsurance contrac	0	0	612	19	631	0	0	853	37	890
Total changes in the statement of income	**(9,356)**	**0**	**(75)**	**(124)**	**(9,555)**	**(4,940)**	**0**	**(7,787)**	**(243)**	**(12,970)**
Other movements	(1,349)	0	1,349	0	0	2,586	0	(2,586)	0	0
Cash flows										
Premiums paid	10,782	0	0	0	10,782	3,371	0	0	0	3,371
Claims and other recoveries	0	0	(1,957)	0	(1,957)	0	0	(13,775)	0	(13,775)
Reinsurance commission received	(1,110)	0	0	0	(1,110)	(771)	0	0	0	(771)
Other cash flows	0	0	0	0	0	0	0	0	0	0
Total cash flows	**9,672**	**0**	**(1,957)**	**0**	**7,715**	**2,600**	**0**	**(13,775)**	**0**	**(11,175)**
Net closing balance	**(1,021)**	**0**	**10,333**	**216**	**9,528**	**12**	**0**	**11,016**	**340**	**11,368**
Closing reinsurance contract liabilities	0	0	(4,299)	0	(4,299)	12	0	(5,647)	0	(5,635)
Closing reinsurance contract assets	(1,021)	0	14,632	216	13,827	0	0	16,663	340	17,003
Net closing balance	**(1,021)**	**0**	**10,333**	**216**	**9,528**	**12**	**0**	**11,016**	**340**	**11,368**

	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims		
Property	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**
Opening reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	1,162	8	81,093	2,117	84,380	(24,726)	0	77,285	898	53,457
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**1,162**	**8**	**81,093**	**2,117**	**84,380**	**(24,726)**	**0**	**77,285**	**898**	**53,457**
Changes in the statement of income										
Allocation of reinsurance premiums	(111,297)	0	0	0	(111,297)	(104,324)	0	0	0	(104,324)
Amounts recoverable from reinsurers										
Incurred claims & other expenses	0	0	45,759	1,193	46,952	0	0	30,392	(1,288)	29,104
Changes in amounts recoverable on incurred claims	0	0	(21,255)	(691)	(21,946)	0	0	13,994	2,451	16,445
Loss recovery / (loss recovery reversals)	0	(8)	0	0	(8)	0	8	0	0	8
Change in provision for risk of non-performance	0	0	4	0	4	0	0	8	0	8
Change in profit commission / sliding scale commission	0	0	0	0	0	0	0	0	0	0
Total amounts recoverable from reinsurers	**0**	**(8)**	**24,508**	**502**	**25,002**	**0**	**8**	**44,394**	**1,163**	**45,565**
Net expense from reinsurance contracts held	**(111,297)**	**(8)**	**24,508**	**502**	**(86,295)**	**(104,324)**	**8**	**44,394**	**1,163**	**(58,759)**
Net finance income/(expense) from reinsurance contrac	0	0	2,902	118	3,020	0	0	1,478	56	1,534
Total changes in the statement of income	**(111,297)**	**(8)**	**27,410**	**620**	**(83,275)**	**(104,324)**	**8**	**45,872**	**1,219**	**(57,225)**
Other movements	(973)	0	973	0	0	2,243	0	(2,243)	0	0
Cash flows										
Premiums paid	126,519	0	0	0	126,519	128,793	0	0	0	128,793
Claims and other recoveries	(3,270)	0	(12,189)	0	(15,459)	16,473	0	(39,821)	0	(23,348)
Reinsurance commission received	(14,525)	0	0	0	(14,525)	(17,298)	0	0	0	(17,298)
Other cash flows	0	0	0	0	0	1	0	0	0	1
Total cash flows	**108,724**	**0**	**(12,189)**	**0**	**96,535**	**127,969**	**0**	**(39,821)**	**0**	**88,148**
Net closing balance	**(2,384)**	**0**	**97,287**	**2,737**	**97,640**	**1,162**	**8**	**81,093**	**2,117**	**84,380**
Closing reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Closing reinsurance contract assets	(2,384)	0	97,287	2,737	97,640	1,162	8	81,093	2,117	84,380
Net closing balance	**(2,384)**	**0**	**97,287**	**2,737**	**97,640**	**1,162**	**8**	**81,093**	**2,117**	**84,380**

Engineering	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	2,258	48	21,369	699	24,374	10,461	18	14,902	328	25,709
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0	1	1
Net opening balance	**2,258**	**48**	**21,369**	**699**	**24,374**	**10,461**	**18**	**14,902**	**329**	**25,710**
Changes in the statement of income										
Allocation of reinsurance premiums	(20,716)	0	0	0	(20,716)	(23,607)	0	0	0	(23,607)
Amounts recoverable from reinsurers										
Incurred claims & other expenses	0	0	89,947	2,167	92,114	0	0	15,813	557	16,370
Changes in amounts recoverable on incurred claims	0	0	(10,499)	(384)	(10,883)	0	0	(3,334)	(208)	(3,542)
Loss recovery / (loss recovery reversals)	0	12	0	0	12	0	30	0	0	30
Change in provision for risk of non-performance	0	0	4	0	4	0	0	3	0	3
Change in profit commission / sliding scale commission	0	0	0	0	0	0	0	0	0	0
Total amounts recoverable from reinsurers	**0**	**12**	**79,452**	**1,783**	**81,247**	**0**	**30**	**12,482**	**349**	**12,861**
Net expense from reinsurance contracts held	**(20,716)**	**12**	**79,452**	**1,783**	**60,531**	**(23,607)**	**30**	**12,482**	**349**	**(10,746)**
Net finance income/(expense) from reinsurance contrac	0	0	860	39	899	0	0	280	21	301
Total changes in the statement of income	**(20,716)**	**12**	**80,312**	**1,822**	**61,430**	**(23,607)**	**30**	**12,762**	**370**	**(10,445)**
Other movements	(419)	0	419	0	0	1,484	0	(1,484)	0	0
Cash flows										
Premiums paid	23,566	0	0	0	23,566	18,693	0	0	0	18,693
Claims and other recoveries	852	0	(1,125)	0	(273)	334	0	(4,812)	0	(4,478)
Reinsurance commission received	(4,636)	0	0	0	(4,636)	(5,105)	0	0	0	(5,105)
Other cash flows	0	0	0	0	0	(2)	0	1	0	(1)
Total cash flows	**19,782**	**0**	**(1,125)**	**0**	**18,657**	**13,920**	**0**	**(4,811)**	**0**	**9,109**
Net closing balance	**905**	**60**	**100,975**	**2,521**	**104,461**	**2,258**	**48**	**21,369**	**699**	**24,374**
Closing reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Closing reinsurance contract assets	905	60	100,975	2,521	104,461	2,258	48	21,369	699	24,374
Net closing balance	**905**	**60**	**100,975**	**2,521**	**104,461**	**2,258**	**48**	**21,369**	**699**	**24,374**

Protection and Saving (P&S) – Non-linked	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening reinsurance contract liabilities	0	0	(7)	0	(7)	0	0	(7)	0	(7)
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	(12,016)	0	142,832	10,312	141,128	(49,365)	0	157,173	7,828	115,636
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0	1	1
Net opening balance	**(12,016)**	**0**	**142,825**	**10,312**	**141,121**	**(49,365)**	**0**	**157,166**	**7,829**	**115,630**
Changes in the statement of income										
Allocation of reinsurance premiums	(328,935)	0	0	0	(328,935)	(278,581)	0	0	0	(278,581)
Amounts recoverable from reinsurers										
Incurred claims & other expenses	0	0	381,617	14,820	396,437	0	0	279,297	6,079	285,376
Changes in amounts recoverable on incurred claims	0	0	(6,661)	(4,878)	(11,539)	0	0	(28,479)	(4,086)	(32,565)
Loss recovery / (loss recovery reversals)	0	0	0	0	0	0	0	0	0	0
Change in provision for risk of non-performance	0	0	31	0	31	0	0	25	0	25
Change in profit commission / sliding scale commission	0	0	0	0	0	0	0	0	0	0
Total amounts recoverable from reinsurers	**0**	**0**	**374,987**	**9,942**	**384,929**	**0**	**0**	**250,843**	**1,993**	**252,836**
Net expense from reinsurance contracts held	**(328,935)**	**0**	**374,987**	**9,942**	**55,994**	**(278,581)**	**0**	**250,843**	**1,993**	**(25,745)**
Net finance income/(expense) from reinsurance contrac	0	0	3,657	575	4,232	0	0	2,190	490	2,680
Total changes in the statement of income	**(328,935)**	**0**	**378,644**	**10,517**	**60,226**	**(278,581)**	**0**	**253,033**	**2,483**	**(23,065)**
Other movements	33,620	0	(33,620)	0	0	(369)	0	369	0	0
Cash flows										
Premiums paid	302,253	0	0	0	302,253	288,315	0	0	0	288,315
Claims and other recoveries	(92)	0	(255,259)	0	(255,351)	31,920	0	(267,743)	0	(235,823)
Reinsurance commission received	(1,480)	0	0	0	(1,480)	(3,937)	0	0	0	(3,937)
Other cash flows	0	0	0	1	1	1	0	0	0	1
Total cash flows	**300,681**	**0**	**(255,259)**	**1**	**45,423**	**316,299**	**0**	**(267,743)**	**0**	**48,556**
Net closing balance	**(6,650)**	**0**	**232,590**	**20,830**	**246,770**	**(12,016)**	**0**	**142,825**	**10,312**	**141,121**
Closing reinsurance contract liabilities	0	0	(7)	0	(7)	0	0	(7)	0	(7)
Closing reinsurance contract assets	(6,650)	0	232,597	20,830	246,777	(12,016)	0	142,832	10,312	141,128
Net closing balance	**(6,650)**	**0**	**232,590**	**20,830**	**246,770**	**(12,016)**	**0**	**142,825**	**10,312**	**141,121**

	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims		
Others	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**
Opening reinsurance contract liabilities	(12,834)	0	12,364	0	(470)	0	0	0	0	0
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	137,190	38	100,525	2,610	240,363	104,241	663	80,266	817	185,987
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**124,356**	**38**	**112,889**	**2,610**	**239,893**	**104,241**	**663**	**80,266**	**817**	**185,987**
Changes in the statement of income										
Allocation of reinsurance premiums	(71,872)	0	0	0	(71,872)	(95,035)	0	0	0	(95,035)
Amounts recoverable from reinsurers										
Incurred claims & other expenses	0	0	39,830	772	40,602	0	0	47,163	1,116	48,279
Changes in amounts recoverable on incurred claims	0	0	(24,381)	(1,816)	(26,197)	0	0	34,698	626	35,324
Loss recovery / (loss recovery reversals)	0	475	0	0	475	0	(625)	0	0	(625)
Change in provision for risk of non-performance	0	0	17	0	17	0	0	2	0	2
Change in profit commission / sliding scale commission	0	0	0	0	0	0	0	0	0	0
Total amounts recoverable from reinsurers	**0**	**475**	**15,466**	**(1,044)**	**14,897**	**0**	**(625)**	**81,863**	**1,742**	**82,980**
Net expense from reinsurance contracts held	**(71,872)**	**475**	**15,466**	**(1,044)**	**(56,975)**	**(95,035)**	**(625)**	**81,863**	**1,742**	**(12,055)**
Net finance income/(expense) from reinsurance contrac	0	0	3,754	146	3,900	0	0	1,268	51	1,319
Total changes in the statement of income	**(71,872)**	**475**	**19,220**	**(898)**	**(53,075)**	**(95,035)**	**(625)**	**83,131**	**1,793**	**(10,736)**
Other movements	(276)	0	276	0	0	(2)	0	2	0	0
Cash flows										
Premiums paid	128,917	0	0	0	128,917	103,563	0	0	0	103,563
Claims and other recoveries	(868)	0	(14,099)	0	(14,967)	20,471	0	(50,510)	0	(30,039)
Reinsurance commission received	(11,508)	0	0	0	(11,508)	(8,883)	0	0	0	(8,883)
Other cash flows	0	0	0	0	0	1	0	0	0	1
Total cash flows	**116,541**	**0**	**(14,099)**	**0**	**102,442**	**115,152**	**0**	**(50,510)**	**0**	**64,642**
Net closing balance	**168,749**	**513**	**118,286**	**1,712**	**289,260**	**124,356**	**38**	**112,889**	**2,610**	**239,893**
Closing reinsurance contract liabilities	(1,552)	0	1,437	0	(115)	(12,834)	0	12,364	0	(470)
Closing reinsurance contract assets	170,301	513	116,849	1,712	289,375	137,190	38	100,525	2,610	240,363
Net closing balance	**168,749**	**513**	**118,286**	**1,712**	**289,260**	**124,356**	**38**	**112,889**	**2,610**	**239,893**

4.2.1 Analysis of insurance contract assets and liabilities for contracts measured under VFA

All portfolios / segments under GMM/VFA	31 December 2025, (Audited)					31 December 2024, (Audited)				
	LRC	LIC				LRC	LIC			
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening insurance contract liabilities	697,211	2,142	5,716	57	705,126	647,301	4,134	4,276	49	655,760
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**697,211**	**2,142**	**5,716**	**57**	**705,126**	**647,301**	**4,134**	**4,276**	**49**	**655,760**
Expected claims expenses	(649)	0	0	0	(649)	0	0	0	0	0
Expected directly attributable non-acquisition expenses	(17,015)	0	0	0	(17,015)	(13,308)	0	0	0	(13,308)
Loss component run off	0	0	0	0	0	0	0	0	0	0
Expected other insurance service expenses incurred	(9,041)	0	0	0	(9,041)	(2,083)	0	0	0	(2,083)
Change in risk adjustment for non-financial risk	(3,232)	0	0	0	(3,232)	(245)	0	0	0	(245)
Experience adjustments	(5,981)	0	0	0	(5,981)	(5,553)	0	0	0	(5,553)
Amount of CSM recognized in statement of income	(8,577)	0	0	0	(8,577)	(2,956)	0	0	0	(2,956)
Allocation of premium for recovery of acquisition cash flows	(2,649)	0	0	0	(2,649)	(1,436)	0	0	0	(1,436)
Insurance revenue	**(47,144)**	**0**	**0**	**0**	**(47,144)**	**(25,581)**	**0**	**0**	**0**	**(25,581)**
Incurred claims	0	0	3,732	68	3,800	0	0	2,131	44	2,175
Directly attributable non-acquisition expenses	0	0	7,461	0	7,461	0	0	8,432	0	8,432
Losses / (loss reversals) on onerous contracts	0	1,283	0	0	1,283	0	(1,992)	0	0	(1,992)
Insurance acquisition costs incurred	5,355	0	0	0	5,355	988	0	0	0	988
Changes relating to liabilities for incurred claims	0	0	(590)	(60)	(650)	380	0	36	(39)	377
Surrenders and maturities	(212,693)	0	212,693	0	0	(202,018)	0	202,018	0	0
Insurance service expenses	**(207,338)**	**1,283**	**223,296**	**8**	**17,249**	**(200,650)**	**(1,992)**	**212,617**	**5**	**9,980**
Insurance service result	**(254,482)**	**1,283**	**223,296**	**8**	**(29,895)**	**(226,231)**	**(1,992)**	**212,617**	**5**	**(15,601)**
Net finance expense/(income) from insurance contracts	62,733	0	(29)	3	62,707	48,365	0	3	3	48,371
Total changes in the statement of income	**(191,749)**	**1,283**	**223,267**	**11**	**32,812**	**(177,866)**	**(1,992)**	**212,620**	**8**	**32,770**
Other movements	(21,042)	0	(618)	(10)	(21,670)	9,281	0	641	0	9,922
Cash flows										
Premiums received	1,044,328	0	0	0	1,044,328	235,581	0	0	0	235,581
Claims paid	0	0	(215,062)	0	(215,062)	0	0	(203,469)	0	(203,469)
Directly attributable non- acquisition expenses paid	0	0	(7,491)	0	(7,491)	0	0	(8,352)	0	(8,352)
Insurance acquisition cash flows	(46,598)	0	0	0	(46,598)	(13,394)	0	0	0	(13,394)
Other cash flows	99,478	0	(4)	0	99,474	(3,692)	0	0	0	(3,692)
Total cash flows	**1,097,208**	**0**	**(222,557)**	**0**	**874,651**	**218,495**	**0**	**(211,821)**	**0**	**6,674**
Net closing balance	**1,581,628**	**3,425**	**5,808**	**58**	**1,590,919**	**697,211**	**2,142**	**5,716**	**57**	**705,126**
Closing insurance contract liabilities	1,581,628	3,425	5,808	58	1,590,919	697,211	2,142	5,716	57	705,126
Closing insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net closing balance	**1,581,628**	**3,425**	**5,808**	**58**	**1,590,919**	**697,211**	**2,142**	**5,716**	**57**	**705,126**

	31 December 2025, (Audited)					31 December 2024, (Audited)				
	LRC		LIC			LRC		LIC		
Engineering - IDI Pool	**Excluding loss component**	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**	**Excluding loss component**	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**
Opening insurance contract liabilities	35,283	0	1,377	22	36,682	0	0	0	0	0
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**35,283**	**0**	**1,377**	**22**	**36,682**	**0**	**0**	**0**	**0**	**0**
Expected claims expenses	(649)	0	0	0	(649)	0	0	0	0	0
Expected directly attributable non-acquisition expenses	(1,387)	0	0	0	(1,387)	(1,376)	0	0	0	(1,376)
Loss component run off	0	0	0	0	0	0	0	0	0	0
Expected other insurance service expenses incurred	0	0	0	0	0	0	0	0	0	0
Change in risk adjustment for non-financial risk	(7)	0	0	0	(7)	(7)	0	0	0	(7)
Experience adjustments	30	0	0	0	30	52	0	0	0	52
Amount of CSM recognized in statement of income	(360)	0	0	0	(360)	(142)	0	0	0	(142)
Allocation of premium for recovery of acquisition cash flows	0	0	0	0	0	(380)	0	0	0	(380)
Insurance revenue	**(2,373)**	**0**	**0**	**0**	**(2,373)**	**(1,853)**	**0**	**0**	**0**	**(1,853)**
Incurred claims	0	0	862	13	875	0	0	1,441	16	1,457
Directly attributable non-acquisition expenses	0	0	0	0	0	0	0	28	0	28
Losses / (loss reversals) on onerous contracts	0	0	0	0	0	0	0	0	0	0
Insurance acquisition costs incurred	0	0	0	0	0	0	0	0	0	0
Changes relating to liabilities for incurred claims	0	0	(326)	(10)	(336)	380	0	(386)	6	0
Surrenders and maturities	0	0	0	0	0	0	0	0	0	0
Insurance service expenses	**0**	**0**	**536**	**3**	**539**	**380**	**0**	**1,083**	**22**	**1,485**
Insurance service result	**(2,373)**	**0**	**536**	**3**	**(1,834)**	**(1,473)**	**0**	**1,083**	**22**	**(368)**
Net finance expense/(income) from insurance contracts	(50)	0	(29)	1	(78)	1,337	0	3	0	1,340
Total changes in the statement of income	**(2,423)**	**0**	**507**	**4**	**(1,912)**	**(136)**	**0**	**1,086**	**22**	**972**
Other movements	(21,042)	0	(618)	(10)	(21,670)	9,281	0	641	0	9,922
Cash flows										
Premiums received	16,618	0	0	0	16,618	26,138	0	0	0	26,138
Claims paid	0	0	(385)	0	(385)	0	0	(350)	0	(350)
Directly attributable non- acquisition expenses paid	0	0	(30)	0	(30)	0	0	0	0	0
Insurance acquisition cash flows	0	0	0	0	0	0	0	0	0	0
Other cash flows	0	0	0	0	0	0	0	0	0	0
Total cash flows	**16,618**	**0**	**(415)**	**0**	**16,203**	**26,138**	**0**	**(350)**	**0**	**25,788**
Net closing balance	**28,436**	**0**	**851**	**16**	**29,303**	**35,283**	**0**	**1,377**	**22**	**36,682**
Closing insurance contract liabilities	28,436	0	851	16	29,303	35,283	0	1,377	22	36,682
Closing insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net closing balance	**28,436**	**0**	**851**	**16**	**29,303**	**35,283**	**0**	**1,377**	**22**	**36,682**

	31 December 2025, (Audited)					31 December 2024, (Audited)				
	LRC	LIC				LRC	LIC			
Protection and Savings (P&S) – linked	**Excluding loss component**	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**	**Excluding loss component**	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**
Opening insurance contract liabilities	661,928	2,142	4,339	35	668,444	647,301	4,134	4,276	49	655,760
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**661,928**	**2,142**	**4,339**	**35**	**668,444**	**647,301**	**4,134**	**4,276**	**49**	**655,760**
Expected claims expenses	0	0	0	0	0	0	0	0	0	0
Expected directly attributable non-acquisition expenses	(15,628)	0	0	0	(15,628)	(11,932)	0	0	0	(11,932)
Loss component run off	0	0	0	0	0	0	0	0	0	0
Expected other insurance service expenses incurred	(9,041)	0	0	0	(9,041)	(2,083)	0	0	0	(2,083)
Change in risk adjustment for non-financial risk	(3,225)	0	0	0	(3,225)	(238)	0	0	0	(238)
Experience adjustments	(6,011)	0	0	0	(6,011)	(5,605)	0	0	0	(5,605)
Amount of CSM recognized in statement of income	(8,217)	0	0	0	(8,217)	(2,814)	0	0	0	(2,814)
Allocation of premium for recovery of acquisition cash flows	(2,649)	0	0	0	(2,649)	(1,056)	0	0	0	(1,056)
Insurance revenue	**(44,771)**	**0**	**0**	**0**	**(44,771)**	**(23,728)**	**0**	**0**	**0**	**(23,728)**
Incurred claims	0	0	2,870	55	2,925	0	0	690	28	718
Directly attributable non-acquisition expenses	0	0	7,461	0	7,461	0	0	8,404	0	8,404
Losses / (loss reversals) on onerous contracts	0	1,283	0	0	1,283	0	(1,992)	0	0	(1,992)
Insurance acquisition costs incurred	5,355	0	0	0	5,355	988	0	0	0	988
Changes relating to liabilities for incurred claims	0	0	(264)	(50)	(314)	0	0	422	(45)	377
Surrenders and maturities	(212,693)	0	212,693	0	0	(202,018)	0	202,018	0	0
Insurance service expenses	**(207,338)**	**1,283**	**222,760**	**5**	**16,710**	**(201,030)**	**(1,992)**	**211,534**	**(17)**	**8,495**
Insurance service result	**(252,109)**	**1,283**	**222,760**	**5**	**(28,061)**	**(224,758)**	**(1,992)**	**211,534**	**(17)**	**(15,233)**
Net finance expense/(income) from insurance contracts	62,783	0	0	2	62,785	47,028	0	0	3	47,031
Total changes in the statement of income	**(189,326)**	**1,283**	**222,760**	**7**	**34,724**	**(177,730)**	**(1,992)**	**211,534**	**(14)**	**31,798**
Other movements	0	0	0	0	0	0	0	0	0	0
Cash flows										
Premiums received	1,027,710	0	0	0	1,027,710	209,443	0	0	0	209,443
Claims paid	0	0	(214,677)	0	(214,677)	0	0	(203,119)	0	(203,119)
Directly attributable non- acquisition expenses paid	0	0	(7,461)	0	(7,461)	0	0	(8,352)	0	(8,352)
Insurance acquisition cash flows	(46,598)	0	0	0	(46,598)	(13,394)	0	0	0	(13,394)
Other cash flows	99,478	0	(4)	0	99,474	(3,692)	0	0	0	(3,692)
Total cash flows	**1,080,590**	**0**	**(222,142)**	**0**	**858,448**	**192,357**	**0**	**(211,471)**	**0**	**(19,114)**
Net closing balance	**1,553,192**	**3,425**	**4,957**	**42**	**1,561,616**	**661,928**	**2,142**	**4,339**	**35**	**668,444**
Closing insurance contract liabilities	1,553,192	3,425	4,957	42	1,561,616	661,928	2,142	4,339	35	668,444
Closing insurance contract assets	0	0	0	0	0	0	0	0	0	0
Net closing balance	**1,553,192**	**3,425**	**4,957**	**42**	**1,561,616**	**661,928**	**2,142**	**4,339**	**35**	**668,444**

4.2.2 Analysis of reinsurance contract assets and liabilities for contracts measured under VFA

	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)		
All portfolios / segments under GMM/VFA	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total	Excluding loss recovery component	Loss recovery component	Estimates of the present value of future cash flows	Risk adjustment	Total
Opening reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	(26,416)	(14)	(2,695)	(44)	(29,169)	(360)	(26)	(2,035)	(55)	(2,476)
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**(26,416)**	**(14)**	**(2,695)**	**(44)**	**(29,169)**	**(360)**	**(26)**	**(2,035)**	**(55)**	**(2,476)**
Changes in the statement of income										
Allocation of reinsurance premiums										
Expected claims recoverable in the year	1,931	0	0	0	1,931	1,640	0	0	0	1,640
Changes in risk adjustment for non-financial risk	18	0	0	0	18	7	0	0	0	7
Experience adjustments	1,295	0	0	0	1,295	(861)	0	0	0	(861)
CSM (net gain/loss) release	712	0	0	0	712	105	0	0	0	105
Total allocation of reinsurance premiums	**3,956**	**0**	**0**	**0**	**3,956**	**891**	**0**	**0**	**0**	**891**
Amounts recoverable from reinsurance										
Incurred claims & other expenses	0	0	(2,156)	(13)	(2,169)	0	0	(1,166)	(25)	(1,191)
Changes in amounts recoverable on incurred claims	0	0	(27)	3	(24)	0	0	259	39	298
Loss recovery / (loss recovery reversals) for onerous contracts	0	(9)	0	0	(9)	0	13	0	0	13
Change in provision for risk of non-performance	0	0	0	0	0	0	0	0	0	0
Other changes	0	0	0	0	0	246	0	(61)	0	185
Total amounts recoverable from reinsurance	**0**	**(9)**	**(2,183)**	**(10)**	**(2,202)**	**246**	**13**	**(968)**	**14**	**(695)**
Net expense from reinsurance contracts held	**3,956**	**(9)**	**(2,183)**	**(10)**	**1,754**	**1,137**	**13**	**(968)**	**14**	**196**
Net finance income/(expense) from reinsurance contracts	17	(1)	42	(3)	55	(943)	(1)	4	(3)	(943)
Total changes in the statement of income	**3,973**	**(10)**	**(2,141)**	**(13)**	**1,809**	**194**	**12**	**(964)**	**11**	**(747)**
Other movements	13,724	0	419	0	14,143	(2,869)	0	0	0	(2,869)
Cash flows										
Premiums paid	(9,890)	0	0	0	(9,890)	(27,406)	0	0	0	(27,406)
Claims and other recoveries	0	0	1,626	0	1,626	0	0	304	0	304
Reinsurance commission received	1,762	0	0	0	1,762	4,025	0	0	0	4,025
Total cash flows	**(8,128)**	**0**	**1,626**	**0**	**(6,502)**	**(23,381)**	**0**	**304**	**0**	**(23,077)**
Net closing balance	**(16,847)**	**(24)**	**(2,791)**	**(57)**	**(19,719)**	**(26,416)**	**(14)**	**(2,695)**	**(44)**	**(29,169)**
Closing reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Closing reinsurance contract assets	(16,847)	(24)	(2,791)	(57)	(19,719)	(26,416)	(14)	(2,695)	(44)	(29,169)
Net closing balance	**(16,847)**	**(24)**	**(2,791)**	**(57)**	**(19,719)**	**(26,416)**	**(14)**	**(2,695)**	**(44)**	**(29,169)**

	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)		
Engineering - IDI Pool	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**
Opening reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	(25,070)	0	(877)	0	(25,947)	0	0	0	0	0
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**(25,070)**	**0**	**(877)**	**0**	**(25,947)**	**0**	**0**	**0**	**0**	**0**
Changes in the statement of income										
Allocation of reinsurance premiums										
Expected claims recoverable in the year	420	0	0	0	420	27	0	0	0	27
Changes in risk adjustment for non-financial risk	8	0	0	0	8	1	0	0	0	1
Experience adjustments	1,295	0	0	0	1,295	(861)	0	0	0	(861)
CSM (net gain/loss) release	244	0	0	0	244	73	0	0	0	73
Total allocation of reinsurance premiums	**1,967**	**0**	**0**	**0**	**1,967**	**(760)**	**0**	**0**	**0**	**(760)**
Amounts recoverable from reinsurance										
Incurred claims & other expenses	0	0	(166)	0	(166)	0	0	(827)	0	(827)
Changes in amounts recoverable on incurred claims	0	0	0	0	0	0	0	0	0	0
Loss recovery / (loss recovery reversals) for onerous contracts	0	0	0	0	0	0	0	0	0	0
Change in provision for risk of non-performance	0	0	0	0	0	0	0	0	0	0
Other changes	0	0	0	0	0	246	0	(61)	0	185
Total amounts recoverable from reinsurance	**0**	**0**	**(166)**	**0**	**(166)**	**246**	**0**	**(888)**	**0**	**(642)**
Net expense from reinsurance contracts held	**1,967**	**0**	**(166)**	**0**	**1,801**	**(514)**	**0**	**(888)**	**0**	**(1,402)**
Net finance income/(expense) from reinsurance contracts	(52)	0	42	0	(10)	(1,027)	0	4	0	(1,023)
Total changes in the statement of income	**1,915**	**0**	**(124)**	**0**	**1,791**	**(1,541)**	**0**	**(884)**	**0**	**(2,425)**
Other movements	13,724	0	419	0	14,143	(2,869)	0	0	0	(2,869)
Cash flows										
Premiums paid	(7,201)	0	0	0	(7,201)	(24,685)	0	0	0	(24,685)
Claims and other recoveries	0	0	27	0	27	0	0	7	0	7
Reinsurance commission received	1,762	0	0	0	1,762	4,025	0	0	0	4,025
Total cash flows	**(5,439)**	**0**	**27**	**0**	**(5,412)**	**(20,660)**	**0**	**7**	**0**	**(20,653)**
Net closing balance	**(14,870)**	**0**	**(555)**	**0**	**(15,425)**	**(25,070)**	**0**	**(877)**	**0**	**(25,947)**
Closing reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Closing reinsurance contract assets	(14,870)	0	(555)	0	(15,425)	(25,070)	0	(877)	0	(25,947)
Net closing balance	**(14,870)**	**0**	**(555)**	**0**	**(15,425)**	**(25,070)**	**0**	**(877)**	**0**	**(25,947)**

	31 December 2025, (Audited)					31 December 2024, (Audited)				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)		
Protection and Savings (P&S) – linked	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**	**Excluding loss recovery component**	**Loss recovery component**	**Estimates of the present value of future cash flows**	**Risk adjustment**	**Total**
Opening reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	(1,346)	(14)	(1,818)	(44)	(3,222)	(360)	(26)	(2,035)	(55)	(2,476)
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0	0	0
Net opening balance	**(1,346)**	**(14)**	**(1,818)**	**(44)**	**(3,222)**	**(360)**	**(26)**	**(2,035)**	**(55)**	**(2,476)**
Changes in the statement of income										
Allocation of reinsurance premiums										
Expected claims recoverable in the year	1,511	0	0	0	1,511	1,613	0	0	0	1,613
Changes in risk adjustment for non-financial risk	10	0	0	0	10	6	0	0	0	6
Experience adjustments	0	0	0	0	0	0	0	0	0	0
CSM (net gain/loss) release	468	0	0	0	468	32	0	0	0	32
Total allocation of reinsurance premiums	**1,989**	**0**	**0**	**0**	**1,989**	**1,651**	**0**	**0**	**0**	**1,651**
Amounts recoverable from reinsurance										
Incurred claims & other expenses	0	0	(1,990)	(13)	(2,003)	0	0	(339)	(25)	(364)
Changes in amounts recoverable on incurred claims	0	0	(27)	3	(24)	0	0	259	39	298
Loss recovery / (loss recovery reversals) for onerous contracts	0	(9)	0	0	(9)	0	13	0	0	13
Change in provision for risk of non-performance	0	0	0	0	0	0	0	0	0	0
Other changes	0	0	0	0	0	0	0	0	0	0
Total amounts recoverable from reinsurance	**0**	**(9)**	**(2,017)**	**(10)**	**(2,036)**	**0**	**13**	**(80)**	**14**	**(53)**
Net expense from reinsurance contracts held	**1,989**	**(9)**	**(2,017)**	**(10)**	**(47)**	**1,651**	**13**	**(80)**	**14**	**1,598**
Net finance income/(expense) from reinsurance contracts	69	(1)	0	(3)	65	84	(1)	0	(3)	80
Total changes in the statement of income	**2,058**	**(10)**	**(2,017)**	**(13)**	**18**	**1,735**	**12**	**(80)**	**11**	**1,678**
Other movements	0	0	0	0	0	0	0	0	0	0
Cash flows										
Premiums paid	(2,689)	0	0	0	(2,689)	(2,721)	0	0	0	(2,721)
Claims and other recoveries	0	0	1,599	0	1,599	0	0	297	0	297
Reinsurance commission received	0	0	0	0	0	0	0	0	0	0
Total cash flows	**(2,689)**	**0**	**1,599**	**0**	**(1,090)**	**(2,721)**	**0**	**297**	**0**	**(2,424)**
Net closing balance	**(1,977)**	**(24)**	**(2,236)**	**(57)**	**(4,294)**	**(1,346)**	**(14)**	**(1,818)**	**(44)**	**(3,222)**
Closing reinsurance contract liabilities	0	0	0	0	0	0	0	0	0	0
Closing reinsurance contract assets	(1,977)	(24)	(2,236)	(57)	(4,294)	(1,346)	(14)	(1,818)	(44)	(3,222)
Net closing balance	**(1,977)**	**(24)**	**(2,236)**	**(57)**	**(4,294)**	**(1,346)**	**(14)**	**(1,818)**	**(44)**	**(3,222)**

4.3 Reconciliation of insurance and reinsurance balances by components for contracts measured under VFA

4.3.1 Reconciliation of insurance contract assets and liabilities by components for contracts measured under VFA

All portfolios / segments under GMM/VFA	31 December 2025, (Audited)				31 December 2024, (Audited)			
	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total
Opening insurance contract liabilities	562,717	4,351	138,058	705,126	569,072	3,132	83,556	655,760
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0
Net opening balance	**562,717**	**4,351**	**138,058**	**705,126**	**569,072**	**3,132**	**83,556**	**655,760**
Changes in the statement of income								
Changes that relate to current services								
CSM recognized in statement of income for services provided	0	0	(11,371)	(11,371)	0	0	(756)	(756)
Changes in risk adjustment for risks expired	0	(519)	0	(519)	0	(314)	0	(314)
Experience adjustments	21,917	(14)	(336)	21,567	(11,150)	15	367	(10,768)
	21,917	**(533)**	**(11,707)**	**9,677**	**(11,150)**	**(299)**	**(389)**	**(11,838)**
Changes that relate to future services								
Contracts initially recognized during the year	(65,875)	1,609	28,247	(36,019)	(41,967)	972	40,772	(223)
Changes in estimates that adjust the CSM	(9,325)	(360)	9,685	0	8,225	(138)	(7,299)	788
Changes in estimates that do not adjust the CSM	(2,741)	(24)	0	(2,765)	(3,363)	(123)	(309)	(3,795)
	(77,941)	**1,225**	**37,932**	**(38,784)**	**(37,105)**	**711**	**33,164**	**(3,230)**
Changes that relate to past services								
Changes relating to liabilities for incurred claims	(796)	8	0	(788)	(533)	(1)	0	(534)
Insurance service result	**(56,820)**	**700**	**26,225**	**(29,895)**	**(48,788)**	**411**	**32,775**	**(15,602)**
Net finance expense/(income) from insurance contracts	61,073	49	1,585	62,707	46,786	88	1,498	48,372
Total changes in the statement of income	**4,253**	**749**	**27,810**	**32,812**	**(2,002)**	**499**	**34,273**	**32,770**
Other movements	2,264	(1,102)	(22,832)	(21,670)	(18,569)	720	20,229	2,380
Cash flows								
Premiums received	1,044,328	0	0	1,044,328	235,580	0	0	235,580
Claims paid	(215,062)	0	0	(215,062)	(203,127)	0	0	(203,127)
Directly attributable non- acquisition expenses paid	(7,491)	0	0	(7,491)	(8,352)	0	0	(8,352)
Insurance acquisition cash flows	(46,598)	0	0	(46,598)	(13,736)	0	0	(13,736)
Other cash flows	99,474	0	0	99,474	3,851	0	0	3,851
Total cash flows	**874,651**	**0**	**0**	**874,651**	**14,216**	**0**	**0**	**14,216**
Net closing balance	**1,443,885**	**3,998**	**143,036**	**1,590,919**	**562,717**	**4,351**	**138,058**	**705,126**
Closing insurance contract liabilities	1,443,885	3,998	143,036	1,590,919	562,717	4,351	138,058	705,126
Closing insurance contract assets	0	0	0	0	0	0	0	0
Net closing balance	**1,443,885**	**3,998**	**143,036**	**1,590,919**	**562,717**	**4,351**	**138,058**	**705,126**

Engineering - IDI Pool	31 December 2025, (Audited)				31 December 2024, (Audited)			
	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total
Opening insurance contract liabilities	(1,779)	1,627	36,834	36,682	0	0	0	0
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0
Net opening balance	**(1,779)**	**1,627**	**36,834**	**36,682**	**0**	**0**	**0**	**0**
Changes in the statement of income								
Changes that relate to current services								
CSM recognized in statement of income for services provided	0	0	0	0	0	0	(142)	(142)
Changes in risk adjustment for risks expired	0	0	0	0	0	(7)	0	(7)
Experience adjustments	39,503	(14)	(336)	39,153	693	15	367	1,075
	39,503	**(14)**	**(336)**	**39,153**	**693**	**8**	**225**	**926**
Changes that relate to future services								
Contracts initially recognized during the year	(55,100)	990	13,374	(40,736)	(15,980)	0	15,191	(789)
Changes in estimates that adjust the CSM	0	0	0	0	0	788	0	788
Changes in estimates that do not adjust the CSM	0	0	0	0	(1,253)	10	(309)	(1,552)
	(55,100)	**990**	**13,374**	**(40,736)**	**(17,233)**	**798**	**14,882**	**(1,553)**
Changes that relate to past services								
Changes relating to liabilities for incurred claims	(254)	3	0	(251)	243	16	0	259
Insurance service result	**(15,851)**	**979**	**13,038**	**(1,834)**	**(16,297)**	**822**	**15,107**	**(368)**
Net finance expense/(income) from insurance contracts	(1,710)	47	1,585	(78)	(242)	85	1,498	1,341
Total changes in the statement of income	**(17,561)**	**1,026**	**14,623**	**(1,912)**	**(16,539)**	**907**	**16,605**	**973**
Other movements	2,264	(1,102)	(22,832)	(21,670)	(11,028)	720	20,229	9,921
Cash flows								
Premiums received	16,618	0	0	16,618	26,138	0	0	26,138
Claims paid	(385)	0	0	(385)	(8)	0	0	(8)
Directly attributable non- acquisition expenses paid	(30)	0	0	(30)	0	0	0	0
Insurance acquisition cash flows	0	0	0	0	(342)	0	0	(342)
Other cash flows	0	0	0	0	0	0	0	0
Total cash flows	**16,203**	**0**	**0**	**16,203**	**25,788**	**0**	**0**	**25,788**
Net closing balance	**(873)**	**1,551**	**28,625**	**29,303**	**(1,779)**	**1,627**	**36,834**	**36,682**
Closing insurance contract liabilities	(873)	1,551	28,625	29,303	(1,779)	1,627	36,834	36,682
Closing insurance contract assets	0	0	0	0	0	0	0	0
Net closing balance	**(873)**	**1,551**	**28,625**	**29,303**	**(1,779)**	**1,627**	**36,834**	**36,682**

Protection and Savings (P&S) - linked	31 December 2025, (Audited)				31 December 2024, (Audited)			
	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total
Opening insurance contract liabilities	564,496	2,724	101,224	668,444	569,072	3,132	83,556	655,760
Acquired insurance contract liabilities	0	0	0	0	0	0	0	0
Opening insurance contract assets	0	0	0	0	0	0	0	0
Acquired insurance contract assets	0	0	0	0	0	0	0	0
Net opening balance	**564,496**	**2,724**	**101,224**	**668,444**	**569,072**	**3,132**	**83,556**	**655,760**
Changes in the statement of income								
Changes that relate to current services								
CSM recognized in statement of income for services provided	0	0	(11,371)	(11,371)	0	0	(614)	(614)
Changes in risk adjustment for risks expired	0	(519)	0	(519)	0	(307)	0	(307)
Experience adjustments	(17,586)	0	0	(17,586)	(11,843)	0	0	(11,843)
	(17,586)	**(519)**	**(11,371)**	**(29,476)**	**(11,843)**	**(307)**	**(614)**	**(12,764)**
Changes that relate to future services								
Contracts initially recognized during the year	(10,775)	619	14,873	4,717	(25,987)	972	25,581	566
Changes in estimates that adjust the CSM	(9,325)	(360)	9,685	0	8,225	(926)	(7,299)	0
Changes in estimates that do not adjust the CSM	(2,741)	(24)	0	(2,765)	(2,110)	(133)	0	(2,243)
	(22,841)	**235**	**24,558**	**1,952**	**(19,872)**	**(87)**	**18,282**	**(1,677)**
Changes that relate to past services								
Changes relating to liabilities for incurred claims	(542)	5	0	(537)	(776)	(17)	0	(793)
Insurance service result	**(40,969)**	**(279)**	**13,187**	**(28,061)**	**(32,491)**	**(411)**	**17,668**	**(15,234)**
Net finance expense/(income) from insurance contracts	62,783	2	0	62,785	47,028	3	0	47,031
Total changes in the statement of income	**21,814**	**(277)**	**13,187**	**34,724**	**14,537**	**(408)**	**17,668**	**31,797**
Other movements	0	0	0	0	(7,541)	0	0	(7,541)
Cash flows								
Premiums received	1,027,710	0	0	1,027,710	209,442	0	0	209,442
Claims paid	(214,677)	0	0	(214,677)	(203,119)	0	0	(203,119)
Directly attributable non- acquisition expenses paid	(7,461)	0	0	(7,461)	(8,352)	0	0	(8,352)
Insurance acquisition cash flows	(46,598)	0	0	(46,598)	(13,394)	0	0	(13,394)
Other cash flows	99,474	0	0	99,474	3,851	0	0	3,851
Total cash flows	**858,448**	**0**	**0**	**858,448**	**(11,572)**	**0**	**0**	**(11,572)**
Net closing balance	**1,444,758**	**2,447**	**114,411**	**1,561,616**	**564,496**	**2,724**	**101,224**	**668,444**
Closing insurance contract liabilities	1,444,758	2,447	114,411	1,561,616	564,496	2,724	101,224	668,444
Closing insurance contract assets	0	0	0	0	0	0	0	0
Net closing balance	**1,444,758**	**2,447**	**114,411**	**1,561,616**	**564,496**	**2,724**	**101,224**	**668,444**

4.3.2 Reconciliation of reinsurance contract assets and liabilities by components for contracts measured under VFA

All portfolios / segments under GMM/VFA	31 December 2025, (Audited)				31 December 2024, (Audited)			
	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total
Opening reinsurance contract liabilities	0	0	0	0	0	0	0	0
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	(4,396)	(1,381)	(23,392)	(29,169)	955	(135)	(3,296)	(2,476)
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0
Net opening balance	**(4,396)**	**(1,381)**	**(23,392)**	**(29,169)**	**955**	**(135)**	**(3,296)**	**(2,476)**
Changes in the statement of income								
Changes that relate to current services								
CSM recognized in statement of income for services transferred	0	0	468	468	0	0	106	106
Changes in risk adjustment for non-financials risks	0	10	0	10	0	7	0	7
Experience adjustments	(23,500)	8	244	(23,248)	(24,409)	(1,210)	1,779	(23,840)
	(23,500)	**18**	**712**	**(22,770)**	**(24,409)**	**(1,203)**	**1,885**	**(23,727)**
Changes that relate to future services								
Contracts initially recognized during the year	29,388	(953)	(4,213)	24,222	12,127	(284)	(11,896)	(53)
Changes in estimates that adjust the CSM	599	1	(599)	1	59	20	(79)	0
Reversal of loss-recovery component	0	0	0	0	0	0	0	0
Changes that do not adjust the CSM	0	0	(10)	(10)	16,540	(402)	7,328	23,466
	29,987	**(952)**	**(4,822)**	**24,213**	**28,726**	**(666)**	**(4,647)**	**23,413**
Changes that relate to past services								
Changes in amounts recoverable on incurred claims	321	(10)	0	311	497	14	0	511
Change in provision for risk of non-performance	0	0	0	0	0	0	0	0
Net expenses from reinsurance contracts held	**6,808**	**(944)**	**(4,110)**	**1,754**	**4,814**	**(1,855)**	**(2,762)**	**197**
Net finance income / (expenses) from reinsurance contracts	1,159	(50)	(1,054)	55	278	(50)	(1,170)	(942)
Total changes in the statement of income	**7,967**	**(994)**	**(5,164)**	**1,809**	**5,092**	**(1,905)**	**(3,932)**	**(745)**
Other movements	372	969	12,802	14,143	12,634	659	(16,164)	(2,871)
Cash flows								
Premiums paid	(9,890)	0	0	(9,890)	(27,406)	0	0	(27,406)
Claims and other recoveries	1,626	0	0	1,626	304	0	0	304
Reinsurance commission received	1,762	0	0	1,762	4,025	0	0	4,025
Profit / sliding scale commission received	0	0	0	0	0	0	0	0
Other cash flows	0	0	0	0	0	0	0	0
Total cash flows	**(6,502)**	**0**	**0**	**(6,502)**	**(23,077)**	**0**	**0**	**(23,077)**
Net closing balance	**(2,559)**	**(1,406)**	**(15,754)**	**(19,719)**	**(4,396)**	**(1,381)**	**(23,392)**	**(29,169)**
Closing reinsurance contract liabilities	0	0	0	0	0	0	0	0
Closing reinsurance contract assets	(2,559)	(1,406)	(15,754)	(19,719)	(4,396)	(1,381)	(23,392)	(29,169)
Net closing balance	**(2,559)**	**(1,406)**	**(15,754)**	**(19,719)**	**(4,396)**	**(1,381)**	**(23,392)**	**(29,169)**

Engineering - IDI	31 December 2025, (Audited)				31 December 2024, (Audited)			
	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total
Opening reinsurance contract liabilities	0	0	0	0	0	0	0	0
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	(4,669)	(1,277)	(20,001)	(25,947)	0	0	0	0
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0
Net opening balance	**(4,669)**	**(1,277)**	**(20,001)**	**(25,947)**	**0**	**0**	**0**	**0**
Changes in the statement of income								
Changes that relate to current services								
CSM recognized in statement of income for services transferred	0	0	0	0	0	0	74	74
Changes in risk adjustment for non-financials risks	0	0	0	0	0	1	0	1
Experience adjustments	(22,897)	8	244	(22,645)	(25,512)	(1,210)	1,779	(24,943)
	(22,897)	**8**	**244**	**(22,645)**	**(25,512)**	**(1,209)**	**1,853**	**(24,868)**
Changes that relate to future services								
Contracts initially recognized during the year	29,422	(953)	(4,247)	24,222	12,127	(284)	(11,896)	(53)
Changes in estimates that adjust the CSM	0	0	0	0	0	0	0	0
Reversal of loss-recovery component	0	0	0	0	0	0	0	0
Changes that do not adjust the CSM	0	0	0	0	16,540	(402)	7,315	23,453
	29,422	**(953)**	**(4,247)**	**24,222**	**28,667**	**(686)**	**(4,581)**	**23,400**
Changes that relate to past services								
Changes in amounts recoverable on incurred claims	224	0	0	224	67	0	0	67
Change in provision for risk of non-performance	0	0	0	0	0	0	0	0
Net expenses from reinsurance contracts held	**6,749**	**(945)**	**(4,003)**	**1,801**	**3,222**	**(1,895)**	**(2,728)**	**(1,401)**
Net finance income / (expenses) from reinsurance contracts	1,025	(44)	(991)	(10)	128	(41)	(1,109)	(1,022)
Total changes in the statement of income	**7,774**	**(989)**	**(4,994)**	**1,791**	**3,350**	**(1,936)**	**(3,837)**	**(2,423)**
Other movements	372	969	12,802	14,143	12,634	659	(16,164)	(2,871)
Cash flows								
Premiums paid	(7,201)	0	0	(7,201)	(24,685)	0	0	(24,685)
Claims and other recoveries	27	0	0	27	7	0	0	7
Reinsurance commission received	1,762	0	0	1,762	4,025	0	0	4,025
Profit / sliding scale commission received	0	0	0	0	0	0	0	0
Other cash flows	0	0	0	0	0	0	0	0
Total cash flows	**(5,412)**	**0**	**0**	**(5,412)**	**(20,653)**	**0**	**0**	**(20,653)**
Net closing balance	**(1,935)**	**(1,297)**	**(12,193)**	**(15,425)**	**(4,669)**	**(1,277)**	**(20,001)**	**(25,947)**
Closing reinsurance contract liabilities	0	0	0	0	0	0	0	0
Closing reinsurance contract assets	(1,935)	(1,297)	(12,193)	(15,425)	(4,669)	(1,277)	(20,001)	(25,947)
Net closing balance	**(1,935)**	**(1,297)**	**(12,193)**	**(15,425)**	**(4,669)**	**(1,277)**	**(20,001)**	**(25,947)**

Protection and Savings (P&S)-linked	31 December 2025, (Audited)				31 December 2024, (Audited)			
	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total	Estimates of the present value of future cash flows	Risk Adjustment for non-financial risk	Contractual Service Margin (CSM)	Total
Opening reinsurance contract liabilities	0	0	0	0	0	0	0	0
Acquired reinsurance contract liabilities	0	0	0	0	0	0	0	0
Opening reinsurance contract assets	273	(104)	(3,391)	(3,222)	955	(135)	(3,296)	(2,476)
Acquired reinsurance contract assets	0	0	0	0	0	0	0	0
Net opening balance	**273**	**(104)**	**(3,391)**	**(3,222)**	**955**	**(135)**	**(3,296)**	**(2,476)**
Changes in the statement of income								
Changes that relate to current services								
CSM recognized in statement of income for services transferred	0	0	468	468	0	0	32	32
Changes in risk adjustment for non-financials risks	0	10	0	10	0	6	0	6
Experience adjustments	(603)	0	0	(603)	1,103	0	0	1,103
	(603)	**10**	**468**	**(125)**	**1,103**	**6**	**32**	**1,141**
Changes that relate to future services								
Contracts initially recognized during the year	(34)	0	34	0	0	0	0	0
Changes in estimates that adjust the CSM	599	1	(599)	1	59	20	(79)	0
Reversal of loss-recovery component	0	0	0	0	0	0	0	0
Changes that do not adjust the CSM	0	0	(10)	(10)	0	0	13	13
	565	**1**	**(575)**	**(9)**	**59**	**20**	**(66)**	**13**
Changes that relate to past services								
Changes in amounts recoverable on incurred claims	97	(10)	0	87	430	14	0	444
Change in provision for risk of non-performance	0	0	0	0	0	0	0	0
Net expenses from reinsurance contracts held	**59**	**1**	**(107)**	**(47)**	**1,592**	**40**	**(34)**	**1,598**
Net finance income / (expenses) from reinsurance contracts	134	(6)	(63)	65	150	(9)	(61)	80
Total changes in the statement of income	**193**	**(5)**	**(170)**	**18**	**1,742**	**31**	**(95)**	**1,678**
Other movements	0	0	0	0	0	0	0	0
Cash flows								
Premiums paid	(2,689)	0	0	(2,689)	(2,721)	0	0	(2,721)
Claims and other recoveries	1,599	0	0	1,599	297	0	0	297
Reinsurance commission received	0	0	0	0	0	0	0	0
Profit / sliding scale commission received	0	0	0	0	0	0	0	0
Other cash flows	0	0	0	0	0	0	0	0
Total cash flows	**(1,090)**	**0**	**0**	**(1,090)**	**(2,424)**	**0**	**0**	**(2,424)**
Net closing balance	**(624)**	**(109)**	**(3,561)**	**(4,294)**	**273**	**(104)**	**(3,391)**	**(3,222)**
Closing reinsurance contract liabilities	0	0	0	0	0	0	0	0
Closing reinsurance contract assets	(624)	(109)	(3,561)	(4,294)	273	(104)	(3,391)	(3,222)
Net closing balance	**(624)**	**(109)**	**(3,561)**	**(4,294)**	**273**	**(104)**	**(3,391)**	**(3,222)**

4.4 Impact of contracts recognized in the year for contracts measured under GMM / VFA

31 December 2025, (Audited)	Contracts acquired through business combinations		Contracts written by the Company		Total
Impact on insurance contract liabilities	**Non-onerous contracts originated**	**Onerous contracts originated**	**Non-onerous contracts originated**	**Onerous contracts originated**	
Estimates of the present value of future cash outflows					
- insurance acquisition costs	0	0	6,733	4	6,737
- claims incurred	0	0	2,340	0	2,340
- directly attributable non-acquisition expenses	0	0	12,634	4	12,638
	0	**0**	**21,707**	**8**	**21,715**
Estimates of the present value of future cash inflows	0	0	(35,279)	(7)	(35,286)
Investment Component	0	0	13,932	8	13,940
Risk adjustment for non-financial risk	0	0	397	0	397
CSM	0	0	18,918	1	18,919
Increase in insurance contract liabilities from contracts recognized in the year	**0**	**0**	**19,675**	**10**	**19,685**

31 December 2025, (Audited)	Contracts acquired through business combinations		Contracts written by the Company		Total
Impact on reinsurance (RI) contract assets	**Non-onerous contracts originated**	**Onerous contracts originated**	**Non-onerous contracts originated**	**Onerous contracts originated**	
Estimates of the present value of future cash outflows	0	0	335	0	335
Estimates of the present value of future cash inflows	0	0	(302)	0	(302)
Risk adjustment for non-financial risk	0	0	(3)	0	(3)
CSM	0	0	0	0	0
Increase in reinsurance contract liabilities from contracts recognized in the year	**0**	**0**	**30**	**0**	**30**

31 December 2024, (Audited)	Contracts acquired through business combinations		Contracts written by the Company		Total
Impact on insurance contract liabilities	**Non-onerous contracts originated**	**Onerous contracts originated**	**Non-onerous contracts originated**	**Onerous contracts originated**	
Estimates of the present value of future cash outflows					
- insurance acquisition costs	0	0	9,003	133	9,136
- claims incurred	0	0	3,069	22	3,091
- directly attributable non-acquisition expenses	0	0	13,888	123	14,011
	0	**0**	**25,960**	**278**	**26,238**
Estimates of the present value of future cash inflows	0	0	(50,380)	(617)	(50,997)
Investment Component	0	0	25,528	28,320	53,848
Risk adjustment for non-financial risk	0	0	722	6	728
CSM	0	0	25,192	286	25,478
Increase in insurance contract liabilities from contracts recognized in the year	**0**	**0**	**27,022**	**28,273**	**55,295**

31 December 2024, (Audited)	Contracts acquired through business combinations		Contracts written by the Company		Total
Impact on reinsurance (RI) contract assets	**Non-onerous contracts originated**	**Onerous contracts originated**	**Non-onerous contracts originated**	**Onerous contracts originated**	
Estimates of the present value of future cash outflows	0	0	692	0	692
Estimates of the present value of future cash inflows	0	0	(692)	0	(692)
Risk adjustment for non-financial risk	0	0	(6)	0	(6)
CSM	0	0	(20)	0	(20)
Increase in reinsurance contract liabilities from contracts recognized in the year	**0**	**0**	**(26)**	**0**	**(26)**

4.5 Insurance revenue and the CSM by transition method for contracts measured under VFA

31 December 2025, (Audited)	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the fair value approach at transition	Contracts measured under the modified retrospective approach at transition	Total
Insurance revenue	**23,778**	**20,993**	**0**	**44,771**
Opening CSM as of 1 January 2025	39,841	61,383	0	101,224
CSM recognized in statement of income for the services provided	(4,908)	(6,463)	0	(11,371)
Changes in estimates that adjust the CSM	14,596	(11,025)	0	3,571
Contracts initially recognized in the year	14,873	0	0	14,873
	24,561	**(17,488)**	**0**	**7,073**
Finance expenses from insurance contracts issued	2,550	3,564	**0**	6,114
Total amounts recognized as income	**27,111**	**(13,924)**	**0**	**13,187**
Closing CSM as of 31 December 2025	**66,952**	**47,459**	**0**	**114,411**

31 December 2024, (Audited)	New contracts and contracts measured under the full retrospective approach at transition	Contracts measured under the fair value approach at transition	Contracts measured under the modified retrospective approach at transition	Total
Insurance revenue	**11,869**	**11,859**	**0**	**23,728**
Opening CSM as of 1 January 2024	16,989	66,567	0	83,556
CSM recognized in statement of income for the services provided	(202)	(413)	0	(615)
Changes in estimates that adjust the CSM	(4,714)	(9,849)	0	(14,563)
Contracts initially recognized in the year	25,583	0	0	25,583
	20,667	**(10,262)**	**0**	**10,405**
Finance expenses from insurance contracts issued	2,185	5,078	0	7,263
Total amounts recognized as income	**22,852**	**(5,184)**	**0**	**17,668**
Closing CSM as of 31 December 2024	**39,841**	**61,383**	**0**	**101,224**

*Excluding IDI Pool

4.6 Expected recognition of the contractual service margin for contracts measured under VFA

31 December 2025, (Audited)	Insurance contracts issued		Reinsurance contracts held	
Number of years until expected to be recognized	Protection & Savings-linked	Total CSM for insurance contracts issued	Protection & Savings-linked	Total CSM for reinsurance contracts held
1 year	12,407	12,407	369	369
2 years	11,425	11,425	319	319
3 years	10,175	10,175	280	280
4 years	7,635	7,635	248	248
5 years	6,861	6,861	223	223
6 to 10 years	26,171	26,171	830	830
More than 10 years	39,737	39,737	1,292	1,292
Total	**114,411**	**114,411**	**3,561**	**3,561**

31 December 2024, (Audited)	Insurance contracts issued		Reinsurance contracts held	
Number of years until expected to be recognized	Protection & Savings-linked	Total CSM for insurance contracts issued	Protection & Savings-linked	Total CSM for reinsurance contracts held
1 year	575	575	28	28
2 years	577	577	28	28
3 years	576	576	27	27
4 years	570	570	26	26
5 years	590	590	25	25
6 to 10 years	3,717	3,717	129	129
More than 10 years	94,619	94,619	3,128	3,128
Total	**101,224**	**101,224**	**3,391**	**3,391**

*Excluding IDI Pool

4.7 Insurance premium receivables analysis

	Audited 31 December 2025			Audited 31 December 2024		
	Receivables	ECL	Net Total	Receivables	ECL	Net Total
Medical	224,301	(33,729)	190,572	174,888	(32,633)	142,255
Motor	114,445	(14,957)	99,488	86,486	(12,551)	73,935
Property	42,217	(2,594)	39,623	38,772	(2,510)	36,262
Engineering	12,604	(2,594)	10,010	10,070	(2,511)	7,559
Protection & Savings - non-linked	63,687	0	63,687	10,542	0	10,542
Others	50,272	0	50,272	63,901	0	63,901
Total	**507,526**	**(53,874)**	**453,652**	**384,659**	**(50,205)**	**334,454**

5. INSURANCE SERVICE RESULT

	Audited 31 Dec 2025	Audited 31 Dec 2024
Insurance Revenue		
Contracts not measured under PAA		
Expected claims expenses	649	0
Expected directly attributable non-acquisition expenses incurred	17,015	13,308
Expected other insurance service expenses incurred	9,041	2,083
Change in risk adjustment for the risks expired after loss component	3,232	245
Experience adjustments	5,981	5,553
CSM recognized in statement of income for the services provided	8,577	2,956
Allocation of premium relating to recovery of insurance acquisition costs	2,649	1,436
Insurance revenue from contracts not measured under PAA	**47,144**	**25,581**
Contracts measured under PAA		
Premium earned on insurances contracts issued	1,838,509	1,558,099
Movement in expected credit loss for the year	(3,761)	(16,876)
Insurance revenue from contracts measured under PAA	**1,834,748**	**1,541,223**
Total Insurance Revenue	**1,881,892**	**1,566,804**
Insurance Service Expenses		
Incurred claims	(1,791,578)	(1,248,131)
Directly attributable non-acquisition expenses	(74,201)	(77,584)
Changes relating to liabilities for incurred claims	95,573	57,017
Losses on onerous contracts and reversal of the losses	6,086	(13,746)
Insurance acquisition costs incurred	(150,018)	(137,372)
Surplus share	0	(3,451)
Total Insurance Service Expenses	**(1,914,138)**	**(1,423,267)**
Insurance service result before reinsurance contracts held	**(32,246)**	**143,537**
Allocation of reinsurance premiums		
Contracts not measured under PAA		
Expected claims and other expenses recovery	(3,226)	(779)
Changes in risk adjustment for recognized for the risks expired	(18)	(7)
CSM recognized for the services received during the year	(712)	(105)
Allocation of reinsurance premiums from contracts not measured under the PAA	**(3,956)**	**(891)**
Contracts measured under PAA		
Premium ceded on reinsurance contracts held	(576,352)	(545,956)
Commission earned on reinsurance contracts held	34,176	39,469
Amounts allocated to reinsurance from contracts measured under the PAA	**(542,176)**	**(506,487)**
Total Allocation of reinsurance premiums	**(546,132)**	**(507,378)**
Amounts recoverable from reinsurers for incurred claims		
Incurred claims & other expenses	578,274	380,320
Changes relating to amounts recoverable on incurred claims	(71,372)	6,438
Losses recovered on onerous contracts and reversal of those loss recoveries	488	(600)
Movement in non-performing assets related to reinsurance contracts held	57	44
Other adjustments to incurred claims	0	(185)
Total amounts recoverable from reinsurance for incurred claims	**507,447**	**386,017**
Net expense from reinsurance contracts held	**(38,685)**	**(121,361)**
Share of surplus from insurance pools	3,648	7,576
Insurance Service Result	**(67,283)**	**29,752**

6. NET INSURANCE FINANCE INCOME / (EXPENSES)

An analysis finance income / expenses from insurance contracts issued and reinsurance contracts held along with the corresponding investment income recognized in statement of income and statement of other comprehensive income by product line is presented below:

For the year ended 31 Dec 2025, Audited	Medical	Motor	Property	Engineering	(P&S) – Non-linked	(P&S) – linked	Others	Total
Total investment income / expenses								
- recognized in statement of income	0	0	0	0	0	0	0	0
- recognized in Other comprehensive income	0	0	0	0	0	0	0	0
	0	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Finance income/expenses from insurance contracts issued								
Profit accreted using locked-in profit rates	(1,607)	(3,453)	(3,095)	(836)	(4,918)	(62,785)	(4,317)	(81,011)
Effects of changes in profit rates and other financial assumptions	(12)	(308)	(98)	(74)	(57)	0	(255)	(804)
Fair value gain / loss on financial assets for unit linked contracts	0	0	0	0	0	62,783	0	62,783
Finance income/expenses from insurance contracts issued	**(1,619)**	**(3,761)**	**(3,193)**	**(910)**	**(4,975)**	**(2)**	**(4,572)**	**(19,032)**
Finance income/expenses from reinsurance contracts held								
Profit accreted using locked-in profit rates	0	570	2,932	841	4,188	(31)	3,729	12,229
Effects of changes in profit rates and other financial assumptions	0	61	88	68	44	0	171	432
Foreign exchange differences	0	0	0	0	0	(34)	0	(34)
Finance income/expenses from reinsurance contracts held	**0**	**631**	**3,020**	**909**	**4,232**	**(65)**	**3,900**	**12,627**
Net insurance finance income / (expenses)	**(1,619)**	**(3,130)**	**(173)**	**(1)**	**(743)**	**(67)**	**(672)**	**(6,405)**
- recognized in statement of income	**(1,619)**	**(3,130)**	**(173)**	**(1)**	**(743)**	**(67)**	**(672)**	**(6,405)**
- recognized in Other comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

For the year ended 31 Dec 2024, Audited	Medical	Motor	Property	Engineering	(P&S) – Non-linked	(P&S) – linked	Others	Total
Total investment income / expenses								
- recognized in statement of income	0	0	0	0	0	0	0	0
- recognized in Other comprehensive income	0	0	0	0	0	0	0	0
	0	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Finance income/expenses from insurance contracts issued								
Profit accreted using locked-in profit rates	(1,517)	(3,655)	(1,381)	(1,691)	(3,367)	(47,031)	(1,120)	(59,762)
Effects of changes in profit rates and other financial assumptions	0	240	96	38	87	0	121	582
Fair value gain / loss on financial assets for unit linked contracts	0	0	0	0	0	47,028	0	47,028
Finance income/expenses from insurance contracts issued	**(1,517)**	**(3,415)**	**(1,285)**	**(1,653)**	**(3,280)**	**(3)**	**(999)**	**(12,152)**
Finance income/expenses from reinsurance contracts held								
Profit accreted using locked-in profit rates	0	953	1,642	1,358	2,751	(94)	1,440	8,050
Effects of changes in profit rates and other financial assumptions	0	(63)	(108)	(34)	(71)	0	(121)	(397)
Foreign exchange differences	0	0	0	0	0	14	0	14
Finance income/expenses from reinsurance contracts held	**0**	**890**	**1,534**	**1,324**	**2,680**	**(80)**	**1,319**	**7,667**
Net insurance finance income / (expenses)	**(1,517)**	**(2,525)**	**249**	**(329)**	**(600)**	**(83)**	**320**	**(4,485)**
- recognized in statement of income	**(1,517)**	**(2,525)**	**249**	**(329)**	**(600)**	**(83)**	**320**	**(4,485)**
- recognized in Other comprehensive income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

7. GROSS PREMIUM WRITTEN AND REINSURANCE PREMIUMS CEDED

Premium written during the year is as follows:

Class	For the year ended 31 Dec 2025					
	Corporate				Individual	Total
	Micro	Small	Medium	Large		
Medical	38,357	37,821	86,068	503,108	60,458	725,812
Motor	23,004	65,383	48,428	94,146	207,484	438,445
Property	22,524	74,572	10,175	55,616	1,439	164,326
Engineering	8,050	7,799	3,829	12,848	77	32,603
Protection & Savings - non-linked	253,052	3,214	401	139,551	0	396,218
Protection & Savings - linked	0	0	0	0	1,027,938	1,027,938
Others	13,336	19,539	9,247	83,920	17,613	143,655
Total	**358,323**	**208,328**	**158,148**	**889,189**	**1,315,009**	**2,928,997**

Class	For the year ended 31 Dec 2024					
	Corporate				Individual	Total
	Micro	Small	Medium	Large		
Medical	56,438	21,481	60,627	278,212	172,979	589,737
Motor	14,118	38,943	60,324	88,667	141,321	343,373
Property	8,955	11,438	10,554	105,646	367	136,960
Engineering	3,098	6,533	9,705	21,049	88	40,473
Protection & Savings - non-linked	5,361	7,679	5,812	356,088	0	374,940
Protection & Savings - linked	0	0	0	0	209,443	209,443
Others	11,380	18,000	12,096	101,725	7,106	150,307
Total	**99,350**	**104,074**	**159,118**	**951,387**	**531,304**	**1,845,233**

Premium ceded during the year is as follows:

	For the year ended 31 Dec 2025		
	Local	Foreign	Total
Motor	2,779	6,485	9,264
Property	18,000	105,323	123,323
Engineering	12,463	15,001	27,464
Protection & Savings - non-linked	17,212	311,092	328,304
Protection & Savings - linked	0	2,688	2,688
Others	22,283	84,959	107,242
Total	**72,737**	**525,548**	**598,285**

	For the year ended 31 Dec 2024		
	Local	Foreign	Total
Motor	1,475	4,622	6,097
Property	13,191	107,085	120,276
Engineering	17,480	15,733	33,213
Protection & Savings - non-linked	116,479	165,486	281,965
Protection & Savings - linked	0	2,722	2,722
Others	14,582	111,291	125,873
Total	**163,207**	**406,939**	**570,146**

8. EXPENSE ALLOCATION ANALYSIS

8.1 Following is the breakdown of expenses by category:

	For the year ended 31 Dec 2025					
	ECL on premiums receivable	Insurance acquisition costs	Attributable non-acquisition expenses	Total attributable expenses	Non-attributable expenses	Total
Expenses pertaining to insurance operations						
Commissions incurred on premium written	0	122,860	0	122,860	0	122,860
Other underwriting expenses	0	19,175	4,424	23,599	0	23,599
Expected credit loss on premium receivables	3,669	0	0	3,669	0	3,669
Total	**3,669**	**142,035**	**4,424**	**150,128**	**0**	**150,128**
Common general and administrative expenses						0
Staff cost	0	42,395	39,650	82,045	6,554	88,599
Depreciation and amortization	0	0	14,598	14,598	696	15,294
Professional and legal costs*	0	0	4,528	4,528	1,174	5,702
Communication and technology	0	0	11,496	11,496	442	11,938
Rents	0	0	3,170	3,170	81	3,251
Advertisement and marketing expenses	0	0	450	450	3	453
Others	0	0	(113)	(113)	3,585	3,472
Total	**0**	**42,395**	**73,779**	**116,174**	**12,535**	**128,709**
Expenses pertaining to shareholders' operations						
Others	0	0	1,052	1,052	12,884	13,936
Total	**0**	**0**	**1,052**	**1,052**	**12,884**	**13,936**
Total expenses	**3,669**	**184,430**	**79,255**	**267,354**	**25,419**	**292,773**

***This includes auditors’ remuneration for the statutory audit of the Company’s financial statement amounting to 1,140.**

	For the year ended 31 Dec 2024					
	ECL on premiums receivable	Insurance acquisition costs	Attributable non-acquisition expenses	Total attributable expenses	Non-attributable expenses	Total
Expenses pertaining to insurance operations						
Commissions incurred on premium written	0	92,536	0	92,536	0	92,536
Other underwriting expenses	0	16,596	4,159	20,755	0	20,755
Expected credit loss on premium receivables	15,901	0	0	15,901	0	15,901
Total	**15,901**	**109,132**	**4,159**	**129,192**	**0**	**129,192**
Common general and administrative expenses						
Staff cost	0	37,681	47,592	85,273	1,679	86,952
Depreciation and amortization	0	0	9,870	9,870	1,103	10,973
Professional and legal costs*	0	0	(2,766)	(2,766)	956	(1,810)
Communication and technology	0	0	9,669	9,669	1,247	10,916
Rents	0	0	3,472	3,472	452	3,924
Advertisement and marketing expenses	0	0	652	652	40	692
Others	0	0	3,719	3,719	2,736	6,455
Total	**0**	**37,681**	**72,208**	**109,889**	**8,213**	**118,102**
Expenses pertaining to shareholders' operations						
Others	0	0	1,053	1,053	13,828	14,881
Total	**0**	**0**	**1,053**	**1,053**	**13,828**	**14,881**
Total expenses	**15,901**	**146,813**	**77,420**	**240,134**	**22,041**	**262,175**

***This includes auditors’ remuneration for the statutory audit of the Company’s financial statement amounting to 1,090.**

8.2 The breakdown of the expenses attributed and allocated to insurance operations by major product line of business is presented below:

	For the year ended 31 Dec 2025			
	ECL on premiums receivable	Insurance acquisition costs	Attributable non-acquisition expenses	Total
Medical	1,096	54,987	25,858	81,941
Motor	2,406	44,287	9,007	55,700
Property	84	14,958	12,791	27,833
Engineering	83	3,664	3,832	7,579
Protection & Savings - non-linked	0	12,818	8,149	20,967
Protection & Savings - linked	0	38,556	12,514	51,070
Others	0	15,160	7,104	22,264
Total	**3,669**	**184,430**	**79,255**	**267,354**

	For the year ended 31 Dec 2024			
	ECL on premiums receivable	Insurance acquisition costs	Attributable non-acquisition expenses	Total
Medical	10,969	40,366	25,002	76,337
Motor	3,244	41,629	11,476	56,349
Property	844	13,932	7,567	22,343
Engineering	844	4,055	2,598	7,497
Protection & Savings - non-linked	0	16,772	14,869	31,641
Protection & Savings - linked	0	13,394	8,352	21,746
Others	0	16,665	7,556	24,221
Total	**15,901**	**146,813**	**77,420**	**240,134**

9. CASH AND CASH EQUIVALENTS

	Audited 31 Dec 2025	Audited 31 Dec 2024
Insurance operations		
Cash and bank balances	172,659	13,399
Deposits maturing within 3 months from the acquisition date	75,277	32,169
ECL on cash and cash equivalents	(34)	(25)
Total cash and cash equivalents in the statement of cash flows	**247,902**	**45,543**
Cash and bank balances - Restricted	9,549	0
Total	**257,451**	**45,543**
Shareholders' operations		
Cash and bank balances	1,717	1,328
Deposits maturing within 3 months from the acquisition date	0	35,155
ECL on cash and cash equivalents	0	(8)
Total	**1,717**	**36,475**
Combined		
Cash and bank balances	174,376	14,727
Deposits maturing within 3 months from the acquisition date	75,277	67,324
ECL on cash and cash equivalents	(34)	(33)
Total cash and cash equivalents in the statement of cash flows	**249,619**	**82,018**
Cash and bank balances - Restricted	9,549	0
Total	**259,168**	**82,018**

Deposits are maintained with financial institutions and have a maturity of three months or less from the date of acquisition. These earn commission at an average rate of 5.03% per annum as of 31 December 2025 (31 December 2024: 5.20% per annum).

Both bank balances and murabaha deposits (including off-balance sheet exposures) are placed with counterparties with sound credit ratings under Standard and Poor's and Moody's ratings methodology.

Restricted cash balance represents amounts in our temporary account in ANB for visit visa sales that are not yet activated.

10. INVESTMENTS

Investments are classified as follows:

	Audited 31 Dec 2025	Audited 31 Dec 2024
Insurance operations		
Investment measured at amortized cost	115,842	72,823
Unit-linked investments measured at FVTPL	1,460,040	655,362
Total	**1,575,882**	**728,185**

	Audited 31 Dec 2025	Audited 31 Dec 2024
Shareholders' operations		
Investments measured at FVTPL	512,993	474,871
Investment measured at FVOCI	436,762	329,393
Investment measured at amortized cost	677,282	887,604
Total	**1,627,037**	**1,691,868**

	Audited 31 Dec 2025	Audited 31 Dec 2024
Combined balances		
Investments measured at FVTPL	512,993	474,871
Investment measured at FVOCI	436,762	329,393
Investment measured at amortized cost	793,124	960,427
Investments excluding unit-linked	**1,742,879**	**1,764,691**
Unit-linked investments measured at FVTPL	1,460,040	655,362
Total	**3,202,919**	**2,420,053**

The movements in the investments are as follows:

	Audited 31 Dec 2025	Audited 31 Dec 2024
Insurance operations		
Opening balance	728,185	859,830
Purchases	973,295	135,963
Disposals	(230,546)	(290,307)
Changes in fair value of investments, net	62,873	31,491
Accrued Commission Income	(3,060)	(802)
Impairment loss	(15)	(121)
Other adjustments - Cash in transit	45,150	(7,869)
Closing balance	**1,575,882**	**728,185**

	Audited 31 Dec 2025	Audited 31 Dec 2024
Shareholders' operations		
Opening balance	1,691,868	1,310,193
Purchases	854,317	955,351
Disposals	(936,881)	(634,056)
Changes in fair value of investments, net	22,203	54,214
Accrued Commission Income	(4,236)	5,845
Impairment (loss) / reversal	(234)	321
Closing balance	**1,627,037**	**1,691,868**

	Audited 31 Dec 2025	Audited 31 Dec 2024
Combined movement	2,420,053	2,170,023
Purchases	1,827,612	1,091,314
Disposals	(1,167,427)	(924,363)
Changes in fair value of investments, net	85,076	85,705
Accrued Commission Income	(7,296)	5,043
Impairment (loss) / reversal	(249)	200
Other adjustments - Cash in transit	45,150	(7,869)
Closing balance	**3,202,919**	**2,420,053**

10(a). The movement in investments measured at FVTPL is as follows:

Insurance operations	Audited 31 Dec 2025	Audited 31 Dec 2024
Opening balance	0	0
Disposals	0	0
Changes in fair value of investments, net	0	0
Closing balance	**0**	**0**

Shareholders' operations	Audited 31 Dec 2025	Audited 31 Dec 2024
Opening balance	474,871	356,145
Purchases	387,573	200,000
Disposals	(346,785)	(100,000)
Changes in fair value of investments, net	(2,666)	18,726
Closing balance	**512,993**	**474,871**

Combined	Audited 31 Dec 2025	Audited 31 Dec 2024
Opening balance	474,871	356,145
Purchases	387,573	200,000
Disposals	(346,785)	(100,000)
Changes in fair value of investments, net	(2,666)	18,726
Closing balance	**512,993**	**474,871**

Breakdown of financial assets at FVTPL

	Audited 31 Dec 2025	Audited 31 Dec 2024
Funds	512,350	472,869
Funds with portfolio manager	643	2,002
Total	**512,993**	**474,871**

10(b). The movement in investments measured at FVOCI is as follows:

Shareholders' operations	Audited 31 Dec 2025	Audited 31 Dec 2024
Opening balance	329,393	171,093
Purchases	92,500	122,812
Disposals	(10,000)	0
Changes in fair value of investments, net	24,869	35,488
Closing balance	**436,762**	**329,393**

The investment measured at FVOCI includes investment in Najm that has been valued as follows:

	Audited 31 Dec 2025	Audited 31 Dec 2024
Opening balance	**41,626**	**41,626**
Cost of investment	**41,626**	**41,626**
Fair value reserve		
At the beginning of the year	80,622	45,299
Changes in fair value	23,196	35,323
Fair value reserve - closing balance	**103,818**	**80,622**
Total investment at fair value	**145,444**	**122,248**

Breakdown of financial assets at FVOCI

	Audited 31 Dec 2025	Audited 31 Dec 2024
Non listed equities - Najm	145,444	122,248
Listed equities	10,231	12,042
Sukuks	281,087	195,103
Total	**436,762**	**329,393**

10(c). The movement in investments measured at amortised costs is as follows:

Insurance operations	**Audited 31 Dec 2025**	**Audited 31 Dec 2024**
Opening balance	72,823	195,613
Purchases	185,385	60,000
Disposals/matured	(139,291)	(181,867)
	118,917	**73,746**
Add: Accrued Commission Income	(4,052)	(1,271)
Less: Impairment loss	(15)	(121)
Add/Less: amortization of discount/premium	992	469
Closing balance	**115,842**	**72,823**

Shareholders' Operations	**Audited 31 Dec 2025**	**Audited 31 Dec 2024**
Opening balance	887,604	782,955
Purchases	374,244	632,539
Disposals/matured	(580,096)	(534,056)
	681,752	**881,438**
Add: Accrued Commission Income	(10,616)	4,546
Less: Impairment (loss) / reversal	(234)	321
Add/Less: amortization of discount/premium	6,380	1,299
Closing balance	**677,282**	**887,604**

Combined	**Audited 31 Dec 2025**	**Audited 31 Dec 2024**
Opening balance	960,427	978,568
Purchases	559,629	692,539
Disposals/matured	(719,387)	(715,923)
	800,669	**955,184**
Add: Accrued Commission Income	(14,668)	3,275
Less: Impairment (loss) / reversal	(249)	200
Add/Less: amortization of discount/premium	7,372	1,768
Closing balance	**793,124**	**960,427**

10(d). Movement in the allowance for impairment of financial investments measured at amortized cost during the period was as follows:

	Audited 31 Dec 2025	Audited 31 Dec 2024
At the beginning of the year	567	767
Charge during the year	249	(200)
Closing balance	**816**	**567**

10(e). The breakdown of investments measured at amortised costs is as follows:

Breakdown of Investments after considering accrued commission income and ECL adjustments is as follows:

Insurance operations	Audited 31 Dec 2025	Audited 31 Dec 2024
Sukuk	65,503	23,542
Term deposits	50,339	49,281
Total	**115,842**	**72,823**

Shareholders' operations	Audited 31 Dec 2025	Audited 31 Dec 2024
Sukuk	367,639	317,208
Term deposits	309,643	570,396
Total	**677,282**	**887,604**

Combined	Audited 31 Dec 2025	Audited 31 Dec 2024
Sukuk	433,142	340,750
Term deposits	359,982	619,677
Total	**793,124**	**960,427**

The term deposits having original maturity exceeding three months have been placed with reputable commercial banks and financial institutions both local and foreign. They are mostly denominated in Saudi Arabian Riyals and US Dollars. These deposits earn yield at rates ranging from 5.05% to 5.50% per annum (2024: 5.10% to 6.75%). Term deposits are placed with counterparties that have credit ratings equivalent to BBB+ to BBB ratings under standard and Poor's Fitch and Moody's rating Methodology.

10(f). The movement in unit-linked investments is as follows:

Unit-linked investments measured at FVTPL	**Audited 31 Dec 2025**	**Audited 31 Dec 2024**
Opening balance	655,362	664,217
Purchased during the period	787,910	75,963
Other adjustments - Cash in transit	45,150	(7,869)
Disposals	(91,255)	(108,440)
Changes in fair value of investments, net	62,873	31,491
Balance at end of the year	**1,460,040**	**655,362**

Breakdown of unit-linked investments is as follows:		
AlAhli Multi-Asset Conservative Fund	185,050	190,803
AlAhli Multi-Asset Moderate Fund	204,685	119,552
AlAhli Multi-Asset Growth Fund	701,533	182,217
Alinma DPM - Balanced	75,018	65,123
Alinma DPM - Strategy	14,539	10,996
Alinma DPM - Aggressive	275,937	85,254
Funds with portfolio manager	3,278	1,417
Total	**1,460,040**	**655,362**

11. PREPAYMENTS AND OTHER RECEIVABLES

	Audited 31 Dec 2025	**Audited 31 Dec 2024**
Prepaid rent	29	1,231
Prepaid expenses, subscription and fees	2,580	3,853
Suppliers with debit balances	26,893	19,572
Input VAT	12,016	5,218
Other receivables	25,746	30,451
Total	**67,264**	**60,325**

12. RIGHT OF USE ASSETS AND LEASES

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

	Audited 31 Dec 2025	**Audited 31 Dec 2024**
Cost		
Opening balance	7,948	7,948
Additions	77,489	0
Deletions	(4,805)	0
Closing balance	**80,632**	**7,948**
Accumulated depreciation		
Opening balance	(6,722)	(6,103)
Depreciation for the year	(4,518)	(619)
Deletions	4,805	0
Closing balance	**(6,435)**	**(6,722)**
Net book value	**74,197**	**1,226**

13. PROPERTY AND EQUIPMENT, NET

	Vehicles	Furniture and fixtures	Leasehold fixtures	Computers	IT equipment	Capital work in progress	Audited 31 Dec 2025	Audited 31 Dec 2024
Cost								
Opening balance	527	4,805	14,470	34,495	6,544	193	61,034	58,612
Additions	0	54	336	2,215	143	15,215	17,963	2,422
Acquired	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Transfers	0	0	9,844	5,090	378	(15,312)	0	0
Closing balance	**527**	**4,859**	**24,650**	**41,800**	**7,065**	**96**	**78,997**	**61,034**
Accumulated depreciation								
Opening balance	(287)	(4,454)	(14,067)	(30,846)	(5,903)	0	(55,557)	(52,613)
Depreciation	(105)	(90)	(242)	(1,877)	(318)	0	(2,632)	(2,944)
Acquired	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Closing balance	**(392)**	**(4,544)**	**(14,309)**	**(32,723)**	**(6,221)**	**0**	**(58,189)**	**(55,557)**
Net book value								
31 Dec 2025, (Audited)	**135**	**315**	**10,341**	**9,077**	**844**	**96**	**20,808**	**0**
31 Dec 2024, (Audited)	**240**	**351**	**403**	**3,649**	**641**	**193**	**0**	**5,477**

14. INTANGIBLE ASSETS

	Softwares	Capital work in progress	Relationships	Audited 31 Dec 2025	Audited 31 Dec 2024
Cost					
Opening balance	73,859	4,685	47,042	125,586	119,478
Additions	895	6,255	0	7,150	6,108
Acquired	0	0	0	0	0
Disposals	0	0	0	0	0
Transfers	5,715	(5,715)	0	0	0
Closing balance	**80,469**	**5,225**	**47,042**	**132,736**	**125,586**
Accumulated amortization					
Opening balance	(58,541)	0	(10,737)	(69,278)	(56,968)
Amortization charge	(5,906)	0	(4,933)	(10,839)	(12,310)
Acquired	0	0	0	0	0
Impairment	0	0	0	0	0
Disposals	0	0	0	0	0
Closing balance	**(64,447)**	**0**	**(15,670)**	**(80,117)**	**(69,278)**
Net book value					
31 Dec 2025, (Audited)	**16,022**	**5,225**	**31,372**	**52,619**	**0**
31 Dec 2024, (Audited)	**15,318**	**4,685**	**36,305**	**0**	**56,308**

15. GOODWILL

The movement in goodwill is as follows:

	Audited 31 Dec 2025			Audited 31 Dec 2024		
	ASIC EC	ATC	Total	ASIC EC	ATC	Total
Cost						
Opening balance	46,794	318,154	364,948	46,794	318,154	364,948
Additions	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
Closing balance	**46,794**	**318,154**	**364,948**	**46,794**	**318,154**	**364,948**

15.1 Purchase of insurance portfolio and related business, assets and liabilities of Arabian Shield Insurance Company EC

The insurance portfolio and related business of Arabian Shield Insurance Company EC was acquired by the Company effective 01 January 2009 at a purchase consideration approved by SAMA resulting in a Goodwill amount of 49,100.

The related assets and liabilities of Arabian Shield Insurance Company EC were also acquired at book value amounting to 20,826 as per the audited financial statements of Arabian Shield Insurance Company EC at 31 December 2008.

The combined sum due to Arabian Shield Insurance Company EC in consideration for goodwill and net assets acquired amounted to 69,926.

Based on criteria related to the Company's earnings up to 31 December 2015 the Goodwill amount was subsequently reduced by 2,306 to 46,794. This in turn resulted in a reduction in the combined sum due to Arabian Shield Insurance Company EC from 69,926 to 67,619 which has been fully paid with no further amounts owing.

15.2 Impairment testing - ATC Goodwill

The goodwill acquired through business combinations is reviewed annually, and assessed the recoverable amount of the cash generating unit (or a group of cash generating units) to which the goodwill is related.

As per IAS 36, an impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

IAS 36 defines an asset's cash generating unit as the smallest group of assets that generate cash inflows largely independent of the cash inflows from other assets or groups of assets. Each CGU or group of CGUs to which goodwill is allocated must: (1) represent the lowest level within the entity at which the goodwill is monitored for internal management purposes; and (2) not be larger than an operating segment (IFRS 8.5).

As such for the purpose of impairment assessment performed, the Company's CGUs are identified as the four (4) operating segments: Motor, Medical, Property & Casualty ('P&C'), and Protection & Saving ('P&S').

Key assumptions used in impairment assessment

The recoverable amount of the cash-generating units has been determined based on a value in use calculation, using cash flow projections covering a three-year (3) period and by applying a terminal growth rate thereafter. The calculation of value in use in the cash-generating units is most sensitive to the following assumptions:

- Future cash flows available from operations;
- Discount rate / cost of equity at 11.90%
- Terminal growth rate at 3.5%

Based on the current impairment assessment, goodwill is not impaired as at 31 December 2025.

This assessment was carried out by an independent evaluator appointed by the Company in their report dated 23 February 2026. This includes a forecast of cash flows discounted using the WACC ('Weighted Average Cost of Capital') in the jurisdiction where the Company operates. As per this assessment, the recoverable value of the CGU is 2,235,316. A half-percentage point change in the discount rate or the terminal growth rate keeping other factors constant would impact the recoverable amount of the CGUs as mentioned in the table below:

Change in WACC	Change in Terminal Growth Rate		
	3.00%	3.50%	4.00%
10.90%	2,340,967	2,412,334	2,494,071
11.40%	2,256,544	2,318,554	2,388,964
11.90%	2,181,023	2,235,316	2,296,498
12.40%	2,112,991	2,160,853	2,214,425
12.90%	2,051,321	2,093,770	2,140,999

The Company runs this independent assessment annually and the result is considered in the annual audited financial statements. Next assessment is due at 31 December 2026.

16. ACCRUED AND OTHER LIABILITIES AND LEASE LIABILITY

16.1 Accrued and other liabilities comprise of the following:

	Audited 31 Dec 2025	Audited 31 Dec 2024
Accrued expenses	83,505	45,585
Provision for leave encashment	0	1,500
Output tax	9,284	9,875
Other liabilities	71,700	55,886
Total	**164,489**	**112,846**

16.2 Lease liability

	Audited 31 Dec 2025	Audited 31 Dec 2024
Opening balance	1,176	1,752
Finance cost	2,238	54
Additions	77,489	0
Lease payments	(10,158)	(630)
Closing balance	**70,745**	**1,176**

17. COMMITMENTS AND CONTINGENCIES

The Company's commitments and contingencies are as follows:

	Audited 31 Dec 2025	Audited 31 Dec 2024
Medical provider / workshop	2,676	3,216
Capital commitments	1,941	1,130
Total	**4,617**	**4,346**

The Company is subject to legal proceedings in the ordinary course of business.

The Company, in common with significant majority of insurers, is subject to litigations in the normal course of its business. The Company's management believes that the outcome of court cases will not have a material impact on the Company's income or financial condition.

18. 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 advantageous accessible market for the asset or liability

Determination of fair value and fair value hierarchy

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

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

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

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

a. Carrying 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 amortised 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 financial statements, as these are either short-term in nature or carry interest rates which are based on prevalent market interest rates.

Insurance and shareholders' operations		Fair Value			
31 December 2025, (Audited)	**Carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value					
Investments measured at FVTPL	1,969,112	0	1,816,675	152,437	1,969,112
Investment measured at FVOCI	436,762	10,231	281,087	145,444	436,762
Total	**2,405,874**	**10,231**	**2,097,762**	**297,881**	**2,405,874**

Insurance and shareholders' operations		Fair Value			
31 December 2024, (Audited)	**Carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value					
Investments measured at FVTPL	1,126,814	0	976,067	150,747	1,126,814
Investment measured at FVOCI	329,393	12,042	195,103	122,248	329,393
Total	**1,456,207**	**12,042**	**1,171,170**	**272,995**	**1,456,207**

Financial assets not measured at fair value

		Fair Value			
31 December 2025, (Audited)	**Carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	259,168	0	0	0	259,168
Investments measured at amortised costs	793,124	0	0	0	793,124
Funds with portfolio manager	3,921	0	0	0	3,921
Statutory deposit	79,815	0	0	0	79,815
Total	**1,136,028**	**0**	**0**	**0**	**1,136,028**

		Fair Value			
31 December 2024, (Audited)	**Carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	82,018	0	0	0	82,018
Investments measured at amortised costs	960,427	0	0	0	960,427
Funds with portfolio manager	3,419	0	0	0	3,419
Statutory deposit	79,815	0	0	0	79,815
Total	**1,125,679**	**0**	**0**	**0**	**1,125,679**

b. 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 31 December 2025 and 31 December 2024, 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 and third-party sources.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value
Mutual funds	Mutual funds classified as Level 3 are fair valued based on the latest available NAV communicated by the fund 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.

Movement of level 3 instruments:	**Audited 31 Dec 2025**	**Audited 31 Dec 2024**
Opening fair value	272,995	216,840
Additions in level 3 investments	19,500	20,000
Acquired in level 3 investments	0	0
Disposals in level 3 investments	(20,000)	0
Fair value gain - net*	25,386	36,155
Closing fair value	**297,881**	**272,995**

*The fair value gain has been recognised within investment income in the statement of income and net changes in fair value of investments in the statement of comprehensive income.

Sensitivity analysis:

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

	Audited 31 Dec 2025	**Audited 31 Dec 2024**
+/- 5% change in net assets value	+ / - 14,894	+ / - 13,650

Najm fair valuation

The fair value is based on the independent valuation report (appointed by Najm) dated 31 December 2025.

	Audited 31 Dec 2025	Audited 31 Dec 2024
Opening balance	122,248	86,925
Changes in fair value	23,196	35,323
Total investment at fair value	**145,444**	**122,248**

The below table shows significant unobservable inputs used in the valuation of Najm.

Fair value	Unobservable inputs	Range of inputs	Relationship of unobservable inputs to FV
31 Dec 2025 - 145,444	Annual growth rate EBITDA 7.8%	-	Directly proportional
	Terminal Growth rate 1.50%	+/- 0.50%	Directly proportional
	WACC 17.00%	+/- 0.50%	Inversely proportional
30 Sep 2024 - 122,248	Annual growth rate EBITDA 8.2%	-	Directly proportional
	Terminal Growth rate 1.50%	+/- 0.50%	Directly proportional
	WACC 16.50%	+/- 0.50%	Inversely proportional

Sensitivity analysis of Najm	Audited 31 Dec 2025	Audited 31 Dec 2024
Sensitivity factor		
+/- 10% change in price	+ / - 14,544	+ / - 12,225

19. OPERATING SEGMENTS

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

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

Segment assets do not include cash and cash equivalents, short term deposits, long term deposits, due from shareholders' operations, investments except unit linked investments, accrued commission income, prepaid expenses & other assets, property and equipment and intangible assets. Accordingly, these are included in unallocated assets.

Segment liabilities do not include accrued and other liabilities, due to shareholders' operations, end-of-service indemnities and accrual gain/ (loss) thereon. Accordingly, these are included in unallocated liabilities.

These unallocated assets and liabilities are not reported to chief operating decision maker under related segments and are monitored on a centralized basis.

Segments do not include shareholders' assets and liabilities and equity hence, these are presented under unallocated assets / liabilities accordingly.

The segment information provided to the Company's chief executive officer for the reportable segments for the Company's total assets and liabilities as of 31 December 2025 and 31 December 2024, its total revenues, expenses, and net income for the year then ended, are as follows:

Financial Position

An analysis of the amounts presented on the balance sheet for insurance contracts and reinsurance contracts has been included in the table below:

31 December 2025, (Audited)	Medical	Motor	Property	Engineering	P&S – non-linked	P&S – linked	Others	Total insurance operations	Shareholders operation	Total
Assets										
Insurance contract assets	0	0	0	0	44	0	786	830	0	830
Reinsurance contract assets	0	13,827	97,640	119,886	246,777	4,294	289,375	771,799	0	771,799
Financial assets for unit linked contracts	0	0	0	0	0	1,460,040	0	1,460,040	0	1,460,040
Unallocated assets	0	0	0	0	0	0	0	992,715	1,669,355	2,662,070
Total Assets	**0**	**13,827**	**97,640**	**119,886**	**246,821**	**1,464,334**	**290,161**	**3,225,384**	**1,669,355**	**4,894,739**
Liabilities and Equity										
Insurance contract liabilities	281,170	236,893	94,498	148,984	308,901	1,561,616	339,299	2,971,361	0	2,971,361
Reinsurance contract liabilities	0	4,299	0	0	7	0	115	4,421	0	4,421
Unallocated liabilities and shareholders' equity	0	0	0	0	0	0	0	249,602	1,669,355	1,918,957
Total Liabilities and shareholders' equity	**281,170**	**241,192**	**94,498**	**148,984**	**308,908**	**1,561,616**	**339,414**	**3,225,384**	**1,669,355**	**4,894,739**

31 December 2024, (Audited)	Medical	Motor	Property	Engineering	P&S – non-linked	P&S – linked	Others	Total insurance operations	Shareholders operation	Total
Assets										
Insurance contract assets	0	0	0	0	44	0	4,098	4,142	0	4,142
Reinsurance contract assets	0	17,003	84,380	50,321	141,128	3,222	240,363	536,417	0	536,417
Financial assets for unit linked contracts	0	0	0	0	0	655,362	0	655,362	0	655,362
Unallocated assets	0	0	0	0	0	0	0	714,937	1,702,680	2,417,617
Total Assets	**0**	**17,003**	**84,380**	**50,321**	**141,172**	**658,584**	**244,461**	**1,910,858**	**1,702,680**	**3,613,538**
Liabilities and Equity										
Insurance contract liabilities	226,097	233,983	84,837	77,246	202,825	668,444	284,096	1,777,528	0	1,777,528
Reinsurance contract liabilities	0	5,635	0	0	7	0	470	6,112	0	6,112
Unallocated liabilities and shareholders' equity	0	0	0	0	0	0	0	127,218	1,702,680	1,829,898
Total Liabilities and shareholders' equity	**226,097**	**239,618**	**84,837**	**77,246**	**202,832**	**668,444**	**284,566**	**1,910,858**	**1,702,680**	**3,613,538**

Statement of Income:

For the year ended 31 Dec 2025, Audited	Medical	Motor	Property	Engineering	P&S – non-linked	P&S – linked	Others	Un-allocated	Total
Insurance revenue	707,025	418,054	168,244	34,135	398,043	44,771	111,620	0	1,881,892
Insurance service expense	(788,882)	(440,057)	(72,585)	(91,359)	(458,229)	(16,710)	(46,316)	0	(1,914,138)
Insurance service result before reinsurance contracts held	**(81,857)**	**(22,003)**	**95,659**	**(57,224)**	**(60,186)**	**28,061**	**65,304**	**0**	**(32,246)**
Allocation of reinsurance premiums	0	(9,356)	(111,297)	(22,683)	(328,935)	(1,989)	(71,872)	0	(546,132)
Amounts recoverable from reinsurers for incurred claims	0	(830)	25,002	81,413	384,929	2,036	14,897	0	507,447
Net expense from reinsurance contracts held	**0**	**(10,186)**	**(86,295)**	**58,730**	**55,994**	**47**	**(56,975)**	**0**	**(38,685)**
Net insurance service results from Company's direct written business	**(81,857)**	**(32,189)**	**9,364**	**1,506**	**(4,192)**	**28,108**	**8,329**	**0**	**(70,931)**
Share of surplus from insurance pools	3,648	0	0	0	0	0	0	0	3,648
Total insurance service result	**(78,209)**	**(32,189)**	**9,364**	**1,506**	**(4,192)**	**28,108**	**8,329**	**0**	**(67,283)**
Investment income	0	0	0	0	0	0	0	17,871	17,871
Profit calculated for debt securities measured at amortized cost	0	0	0	0	0	0	0	50,216	50,216
Net credit impairment losses (or reversal of those losses) on financial assets	0	0	0	0	0	0	0	(250)	(250)
Net investment income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**67,837**	**67,837**
Net finance expenses from insurance contracts issued	(1,619)	(3,761)	(3,193)	(910)	(4,975)	(2)	(4,572)	0	(19,032)
Net finance income (expenses) from reinsurance contracts held	0	631	3,020	909	4,232	(65)	3,900	0	12,627
Net insurance finance (expenses) income	**(1,619)**	**(3,130)**	**(173)**	**(1)**	**(743)**	**(67)**	**(672)**	**0**	**(6,405)**
Net insurance and investment result	**(79,828)**	**(35,319)**	**9,191**	**1,505**	**(4,935)**	**28,041**	**7,657**	**67,837**	**(5,851)**
Other expenses									
Non-attributable expenses	0	0	0	0	0	0	0	(25,419)	(25,419)
Total other expenses	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(25,419)**	**(25,419)**
Net (loss) income for the year attributable to the shareholders before zakat & tax	**(79,828)**	**(35,319)**	**9,191**	**1,505**	**(4,935)**	**28,041**	**7,657**	**42,418**	**(31,270)**
Provision for zakat	0	0	0	0	0	0	0	(12,106)	(12,106)
Provision for tax	0	0	0	0	0	0	0	(377)	(377)
Net (loss) income for the year attributable to the shareholders after zakat & tax	**(79,828)**	**(35,319)**	**9,191**	**1,505**	**(4,935)**	**28,041**	**7,657**	**29,935**	**(43,753)**

For the year ended 31 Dec 2024, Audited	Medical	Motor	Property	Engineering	P&S – non-linked	P&S – linked	Others	Un-allocated	Total
Insurance revenue	542,813	315,021	137,169	38,036	375,701	23,728	134,336	0	1,566,804
Insurance service expense	(571,037)	(274,872)	(73,035)	(23,742)	(346,806)	(8,495)	(125,280)	0	(1,423,267)
Insurance service result before reinsurance contracts held	**(28,224)**	**40,149**	**64,134**	**14,294**	**28,895**	**15,233**	**9,056**	**0**	**143,537**
Allocation of reinsurance premiums	0	(4,940)	(104,324)	(22,847)	(278,581)	(1,651)	(95,035)	0	(507,378)
Amounts recoverable from reinsurers for incurred claims	0	(8,920)	45,565	13,503	252,836	53	82,980	0	386,017
Net expense from reinsurance contracts held	**0**	**(13,860)**	**(58,759)**	**(9,344)**	**(25,745)**	**(1,598)**	**(12,055)**	**0**	**(121,361)**
Net insurance service results from Company's direct written business	**(28,224)**	**26,289**	**5,375**	**4,950**	**3,150**	**13,635**	**(2,999)**	**0**	**22,176**
Share of surplus from insurance pools	7,576	0	0	0	0	0	0	0	7,576
Total insurance service result	**(20,648)**	**26,289**	**5,375**	**4,950**	**3,150**	**13,635**	**(2,999)**	**0**	**29,752**
Investment income	0	0	0	0	0	0	0	30,530	30,530
Profit calculated for debt securities measured at amortized cost	0	0	0	0	0	0	0	59,769	59,769
Net credit impairment losses (or reversal of those losses) on financial assets	0	0	0	0	0	0	0	200	200
Net investment income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**90,499**	**90,499**
Net finance (expenses) / income from insurance contracts issued	(1,517)	(3,415)	(1,285)	(1,653)	(3,280)	(3)	(999)	0	(12,152)
Net finance (expenses) / income from reinsurance contracts held	0	890	1,534	1,324	2,680	(80)	1,319	0	7,667
Net insurance finance income / (expenses)	**(1,517)**	**(2,525)**	**249**	**(329)**	**(600)**	**(83)**	**320**	**0**	**(4,485)**
Net insurance and investment result	**(22,165)**	**23,764**	**5,624**	**4,621**	**2,550**	**13,552**	**(2,679)**	**90,499**	**115,766**
Other expenses									
Non-attributable expenses	0	0	0	0	0	0	0	(22,041)	(22,041)
Total other expenses	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(22,041)**	**(22,041)**
Net (loss) / income for the year attributable to the shareholders before zakat & tax	**(22,165)**	**23,764**	**5,624**	**4,621**	**2,550**	**13,552**	**(2,679)**	**68,458**	**93,725**
Provision for zakat	0	0	0	0	0	0	0	(20,892)	(20,892)
Provision for tax	0	0	0	0	0	0	0	(1,838)	(1,838)
Net (loss) / income for the year attributable to the shareholders after zakat & tax	**(22,165)**	**23,764**	**5,624**	**4,621**	**2,550**	**13,552**	**(2,679)**	**45,728**	**70,995**

20. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors, and key management personnel [Key Management Personnel includes all directors, executive and non-executive, and senior management] of the Company, and companies of which they are principal owners and any other entities controlled, jointly controlled or significantly influenced by them. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors. The following are the details of the major related party transactions during the year and the related balances:

Salaries and Allowances	Audited 31 Dec 2025	Audited 31 Dec 2024
Key Executives - Salaries	8,038	6,548
Key Executives - Allowances	1,516	1,163
Key Executives - Other benefits	2,912	1,533
Board of Directors - Remuneration	3,629	4,500
	16,095	**13,744**

Transactions with and amounts due to and from related parties

Transactions with related parties	Audited 31 Dec 2025	Audited 31 Dec 2024
Gross written premiums from related parties		
Shareholders	431,491	390,735
Committees, board secretary and key executives	49	91
Entities controlled or significantly influenced	284,446	269,365
Ceded written premiums to related parties		
Shareholders	3,607	0
Entities controlled or significantly influenced	0	4,454
Commissions from related parties		
Shareholders	230	0
Entities controlled or significantly influenced	0	485
Commissions to related parties		
Shareholders	1,490	3,195
Gross claims paid by related parties		
Shareholders	344,847	281,249
Committees, board secretary and key executives	86	88
Entities controlled or significantly influenced	228,966	183,643
Ceded claims paid to related parties		
Shareholders	121	0
Entities controlled or significantly influenced	0	250
Investment assets fees (Rebate)		
Shareholders	3,893	3,851
Investment portfolio income - Shareholders		
Shareholders	37,360	45,082
Marketing agency commission		
Shareholders	3,235	37

Amounts due from and to related parties	Audited 31 Dec 2025	Audited 31 Dec 2024
Amounts due from related parties		
Shareholders	58,839	35,667
Committees, board secretary and key executives	41	0
Entities controlled or significantly influenced	34,886	23,214
Total due from related parties, net	**93,766**	**58,881**
Amounts due to related parties		
Shareholders	7,555	3,360
Committees, board secretary and key executives	24	0
Entities controlled or significantly influenced	8,614	4,059
Total due to related parties	**16,193**	**7,419**
Investments		
Investment for unit linked contracts	1,460,040	655,362
Investments placed with related parties	815,454	690,129

21. ZAKAT AND INCOME TAX

Closing balances	Audited 31 Dec 2025	Audited 31 Dec 2024
Provision for Zakat	28,495	39,040
Provision for Income Tax	0	1,838
	28,495	**40,878**

Zakat and income tax have been provided in accordance with regulations currently in force in Saudi Arabia.

The temporary and permanent differences between financial and adjusted taxable results are mainly due to adjustments to depreciation, provisions and other items in accordance with the income tax regulations. Deferred tax arising out of these differences is not significant and accordingly was not provided for.

Zakat is calculated on Saudi shareholders' share of adjusted equity subject to a minimum base equal to the relevant share of adjusted net profit. Foreign shareholders are subject to income tax calculated on the relevant share of adjusted net profit.

	Audited 31 Dec 2025	Audited 31 Dec 2024
Percentages applicable to zakat and income tax		
Shareholding percentage subject to zakat	**92%**	**92%**
Shareholding percentage subject to income tax	**8%**	**8%**
Movement on zakat account		
Opening balance	39,040	56,623
Provided	12,106	20,892
Paid / Adjustment	(22,651)	(38,475)
Closing balance	**28,495**	**39,040**
Movement on income tax account		
Opening balance	1,838	230
Provided	377	1,838
Paid / Adjustment	(2,215)	(230)
Closing balance	**0**	**1,838**

Status of assessments

The Company has filed zakat and income tax returns for the year from incorporation to 31 December 2008 and for each of the years ended 31 December 2009 to 31 December 2024.

The returns filed covering periods to 31 December 2020 and 31 December 2023 have been agreed and finalized with Zakat, Tax and Customs Authority (ZATCA) and zakat and income tax liabilities arising thereon have been discharged in full. Final assessments are awaited for the remaining outstanding years.

2023, 2020 & prior	Settled and finalized
2021, 2022 and 2024	On going audit by ZATCA

22. PROVISION FOR END-OF-SERVICE BENEFITS (EOSB)

The Company operates an end of service benefit plan for its employees based on the prevailing Saudi Labor Laws. Accruals are made in accordance with the actuarial valuation under projected unit credit method while the benefit payments obligation is discharged as and when it falls due. The amounts recognized in the statement of financial position and movement in the obligation during the year based on its present value are as follows:

22.1 The amounts recognized in the statement of financial position and movement in the obligation during the year based on its present value are as follows:

	Audited 31 Dec 2025	Audited 31 Dec 2024
Present value of defined benefit obligation	22,613	20,602

22.2 Movement of defined benefit obligation

	Audited 31 Dec 2025	Audited 31 Dec 2024
Opening balance	20,602	20,861
Charge to statement of income	4,536	4,126
Charge to statement of other comprehensive income	903	(1,375)
Payment of benefits during the year	(3,428)	(3,010)
Closing balance	**22,613**	**20,602**

22.3 Reconciliation of present value of defined benefit obligation

	Audited 31 Dec 2025	Audited 31 Dec 2024
Present value of defined benefit obligation as of January 1	20,602	20,861
Current service costs	3,403	3,146
Financial costs	1,133	980
Actuarial loss / (gain) from experience adjustments	903	(1,375)
Benefits paid during the year	(3,428)	(3,010)
Present value of defined benefit obligation as of December 31	**22,613**	**20,602**

22.4 Principal actuarial assumptions

The following range of significant actuarial assumptions was used by the Company for the valuation of post-employment benefit liability:

	31 Dec 2025	31 Dec 2024
Valuation discount rate	5.20%	5.50%
Expected rate of increase in salary level across different age bands	3.50%	3.50%

The impact of changes in sensitivities on present value of defined benefit obligation is as follows:

	Impact on defined benefit 31 Dec 2025	Impact on defined benefit 31 Dec 2024
Valuation discount rate		
- Increase by 1%	(1,694)	(1,486)
- Decrease by 1%	1,952	1,710
Expected rate of increase in salary level across different age bands		
- Increase by 1%	2,092	1,836
- Decrease by 1%	(1,853)	(1,627)
Mortality rate		
- Increase by 10%	0	1
- Decrease by 10%	(0)	(1)
Employee turnover		
- Increase by 10%	(120)	(83)
- Decrease by 10%	107	66

23. SHARE CAPITAL

The Board of Directors resolved in their meeting held on 12 January 2021 to increase the share capital subject to receiving the required approvals of the relevant authorities and thereafter the approval of shareholders.

The resolution provided for a share capital increase from 300,000 to 400,000 by issuing one bonus share for every three shares held thereby increasing the number of shares in issue from 30,000,000 shares to 40,000,000 shares with the additional 100,000 share capital generated by capitalising 80,000 from retained earnings and 20,000 from statutory reserve.

Approval was received from the Saudi Central Bank (Insurance Authority) and the Capital Market Authority (CMA) on 08 April 2021 and 06 May 2021, respectively. Approval from shareholders was obtained in the general assembly meeting held on 09 September 2021 and the bonus shares were issued on 10 September 2021. The total transaction costs relating to the bonus share issue amounted to 35.

The shareholders of the Company in their Extraordinary General Assembly meeting ("EGAM") held on 24 October 2023 (corresponding to 09 Rabi Al Thani 1445) approved increasing share capital to acquire Alinma Tokio Marine Company. The Company has announced the effectiveness of the merger of ATMC into the Company on 15 November 2023 (corresponding to 01 Jumada Al Oula 1445) after satisfying the Merger conditions agreed between the two companies in the Merger agreement and set out in the Shareholder Circular and the Offer Document issued by the Company with respect to the Merger, including the expiry of the creditors' objection period with no outstanding or unsettled objections. The merger resulted in the increase of the paid-up capital from 638,525 to 798,153.

Major Shareholding structure of the Company is as below:

	31 December 2025, (Audited)		
	Authorized and issued		Paid up
	No. of Shares	Amount	
Alinma Bank	9,178,627	91,786,270	91,786,270
Saudi National Bank	7,155,738	71,557,380	71,557,380
Bahrain National Holding Co BSC	6,000,000	60,000,000	60,000,000
Sultan Holding Company	5,700,000	57,000,000	57,000,000
Total	**28,034,365**	**280,343,650**	**280,343,650**

	31 December 2024, (Audited)		
	Authorized and issued		Paid up
	No. of Shares	Amount	
Alinma Bank	9,178,627	91,786,270	91,786,270
Saudi National Bank	7,155,738	71,557,380	71,557,380
Bahrain National Holding Co BSC	6,000,000	60,000,000	60,000,000
Sultan Holding Company	5,700,000	57,000,000	57,000,000
Total	**28,034,365**	**280,343,650**	**280,343,650**

24. STATUTORY DEPOSIT

In compliance with the Insurance Implementation Regulation of Insurance Authority, the Company maintains a deposit of 79,815 (31 December 2024: 79,815) in a deposit account at The Saudi British Bank. This deposit cannot be withdrawn without Insurance Authority's consent and the Company does not earn commission from the deposit and commission is paid to the Insurance Authority periodically.

The accrued income on the deposit as at 31 December 2025 is 307 (31 December 2024: 2,301) and has been disclosed as "Accrued income on statutory deposit" and the corresponding commission is shown in liabilities as "Accrued income payable to Insurance Authority (IA)".

25. STATUTORY RESERVE

In accordance with the Law, the Company is required to transfer not less than 20% of its annual net income, after adjusting accumulated losses if any, to a legal reserve until such reserve amounts to 100% of the paid-up share capital of the Company. This reserve cannot be utilised for dividend distribution.

26. INVESTMENT INCOME

	Audited 31 Dec 2025	Audited 31 Dec 2024
Realized (loss) / gain on investments measured at FVTPL		
Funds	(2,025)	1,248
	(2,025)	**1,248**
Un-realized (loss) / gain on investments measured at FVTPL		
Funds	(59)	17,353
	(59)	**17,353**
Dividend Income		
Equity securities	504	836
Others	19,451	11,093
	19,955	**11,929**
Investment income	**17,871**	**30,530**
Commission income on investments and deposits		
Short term deposits (< 3 months)	1,173	2,377
Long term deposits (> 3 months)	27,208	39,954
Sukuks	21,428	16,828
	49,809	**59,159**
Others		
Investment income share on Pools	407	610
	407	**610**
Profit calculated for debt securities measured at amortized cost	**50,216**	**59,769**
Net credit (impairment) / impairment reversal on financial assets	(250)	200
Total Investment Income	**67,837**	**90,499**

27. CAPITAL MANAGEMENT

Objectives are set by the Company to optimise the structure and sources of capital and maintain healthy capital ratios to support its business objectives and consistently maximise returns to shareholders and policyholders.

The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence the capital position of the Company in the light of changes in economic conditions and risk characteristics.

The primary source of capital used by the Company is equity shareholders' funds. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new 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. The capital structure of the Company consists of equity attributable to equity holders comprising paid share capital, statutory reserves, retained earnings and fair value reserve on investments.

The Implementing Regulations detail a minimum solvency margin requirement calculated as the highest of the following:
• Minimum net assets of 300,000 – calculated after adjusting for admissibility factors
• Premium solvency margin calculation
• Claims solvency margin calculation

In the opinion of the Board of Directors, the Company has fully complied with all externally imposed capital requirements during the reported financial year.

28. RISK MANAGEMENT

Risk management covers mainly the followings:
- Insurance Risks
- Reinsurance Risks
- Financial Risks

Insurance Risks

For non-P&S contracts, the most significant risks arise from climate changes, natural disasters and manmade accidents. For longer tail claims that take some years to settle, there is also inflation risk

For P&S contracts, the main risks that the Company is exposed to are, as follows:
• Mortality risk – risk of loss arising due to the incidence of policyholder death being different than expected
• Morbidity risk – risk of loss arising due to policyholder health experience being different than expected
• Longevity risk – risk of loss arising due to the annuitant living longer than expected
• Expense risk – risk of loss arising from expense experience being different than expected
• Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

For the P&S and life reinsurance contracts for which death or disability is the insured risk, the significant factors that could increase the overall frequency of claims are epidemics, widespread changes in lifestyle and natural disasters, resulting in earlier or more claims than expected. Company-wide reinsurance limits of 5,000 on any single life insured, and XOL treaty reinsurance support up to 8,000 on all high-risk individuals insured are in place.

The objective of the Company is to ensure that sufficient reserves are available to cover the liabilities associated with these insurance and reinsurance contracts that it issues. The risk exposure is mitigated by diversification across the portfolios of insurance contracts. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Company. The Company further enforces a policy of actively managing and promptly settling claims, to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities and pricing appropriately.

Reinsurance Risks

The Company purchases reinsurance as part of its risk mitigation program. Reinsurance held (outward reinsurance) is placed on both a proportional and non–proportional basis. The majority of proportional reinsurance is quota–share reinsurance which is taken out to reduce the overall exposure of the Company to certain classes of business. Retention limits for non-proportional excess–of–loss reinsurance vary by product line.

To minimize its exposure to significant losses from reinsurer insolvencies, the Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers.

Reinsurers are selected using the following parameters and guidelines set by the Company's Board of Directors and Reinsurance Committee. The criteria may be summarized as follows:

- Minimum acceptable credit rating by recognized rating agencies (e.g. S&P) that is not lower than BBB or equivalent
- Reputation of particular reinsurance companies
- Existing or past business relationship with the reinsurer.

Furthermore, the financial strength and managerial and technical expertise as well as historical performance of the reinsurers, wherever applicable, are thoroughly reviewed by the Company and agreed to pre-set requirements of the Company's Board of Directors and Reinsurance Committee before approving them for exchange of reinsurance business. As of 31 December 2025 and 31 December 2024, there is no significant concentration of reinsurance balances.

Reinsurance ceded contracts do not relieve the Company from its obligations to policyholders and as a result the Company remains liable for the portion of outstanding claims reinsured to the extent that the reinsurer fails to meet the obligations under the reinsurance agreements.

There is no single counterparty exposure that exceeds 20% of total reinsurance assets at the reporting date.

The nature of the Company's exposure to insurance risks and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

The following tables show the concentration of net insurance contract liabilities by type of contract:

	31 December 2025, (Audited)			31 December 2024, (Audited)		
	Insurance contracts issued	Reinsurance contracts held	Net	Insurance contracts issued	Reinsurance contracts held	Net
Medical	281,170	0	281,170	226,097	0	226,097
Motor	236,893	(13,827)	223,066	233,983	(17,003)	216,980
Property	94,498	(97,640)	(3,142)	84,837	(84,380)	457
Engineering	148,984	(119,886)	29,098	77,246	(50,321)	26,925
Protection & Savings - non-linked	308,901	(246,777)	62,124	202,825	(141,128)	61,697
Protection & Savings -linked	1,561,616	(4,294)	1,557,322	668,444	(3,222)	665,222
Others	339,299	(289,375)	49,924	284,096	(240,363)	43,733
Total	**2,971,361**	**(771,799)**	**2,199,562**	**1,777,528**	**(536,417)**	**1,241,111**

The geographical concentration of the Company's insurance contract liabilities is noted below. The disclosure is based on the region where the business is written.

31 December 2025, (Audited)	Medical	Motor	Property	Engineering	(P&S) – Non-linked	(P&S) – linked	Others	Total
Central region	276,089	190,256	65,051	102,776	53,218	346,827	120,658	1,154,875
Western region	1,480	26,016	28,031	22,446	253,218	849,175	205,402	1,385,768
Eastern region	3,572	20,420	1,416	23,762	2,465	196,766	13,238	261,639
Other regions inside KSA	29	201	0	0	0	168,848	1	169,079
Total	**281,170**	**236,893**	**94,498**	**148,984**	**308,901**	**1,561,616**	**339,299**	**2,971,361**

31 December 2024, (Audited)	Medical	Motor	Property	Engineering	(P&S) – Non-linked	(P&S) – linked	Others	Total
Central region	225,877	181,947	58,009	49,143	39,848	66,544	92,429	713,797
Western region	109	27,728	25,267	13,554	162,950	365,325	179,682	774,615
Eastern region	59	23,902	1,561	14,549	27	72,175	11,984	124,257
Other regions inside KSA	52	406	0	0	0	164,400	1	164,859
Total	**226,097**	**233,983**	**84,837**	**77,246**	**202,825**	**668,444**	**284,096**	**1,777,528**

Sensitivities on major assumptions considered while applying IFRS 17

The following sensitivity analysis shows the impact on gross and net liabilities, profit / loss before tax and equity for reasonably possible movements in key assumptions with all other assumptions in notes 2 and 3 held constant. The correlation of assumptions will have a significant effect in determining the ultimate impacts, but to demonstrate the impact due to changes in each assumption, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non–linear.

The method used for deriving sensitivity information and significant assumptions did not change from the previous year.

Following are the sensitivities derived for the portfolios computed under PAA approach before and after risk mitigation by reinsurance contracts held:

	31 December 2025, (Audited)			31 December 2024, (Audited)		
	Insurance contract liabilities	Impact on profit/(loss) before zakat and tax	Impact on equity	Insurance contract liabilities	Impact on profit/(loss) before zakat and tax	Impact on equity
Insurance contract liabilities	1,380,442			1,072,402		
Expenses increase by 2%	6,784	(6,784)	(5,953)	6,059	(6,059)	(5,317)
Expenses decrease by 2%	(6,323)	6,323	5,549	(6,022)	6,022	5,284
Yields curve shift up by 0.5 %	(2,566)	2,566	2,252	(2,198)	2,198	1,928
Yields curve shift down by 0.5 %	2,598	(2,598)	(2,279)	2,222	(2,222)	(1,950)
Loss reserve increase by 5 %	14,199	(14,199)	(12,459)	9,918	(9,918)	(8,703)
Loss reserve decrease by 5 %	(14,198)	14,198	12,459	(9,918)	9,918	8,703

Following are the sensitivities derived for the portfolios computed under PAA approach after risk mitigation by reinsurance contracts held

	31 December 2025, (Audited)			31 December 2024, (Audited)		
	Net insurance contract liabilities	Impact on profit/(loss) before zakat and tax	Impact on equity	Net insurance contract liabilities	Impact on profit/(loss) before zakat and tax	Impact on equity
Insurance contract liabilities	1,380,442			1,072,402		
Reinsurance contract Assets	(752,080)			(507,248)		
Net insurance contract liabilities	**628,362**			**565,154**		
Expenses increase by 2%	6,519	(6,519)	(5,720)	6,057	(6,057)	(5,315)
Expenses decrease by 2%	(6,160)	6,160	5,406	(6,020)	6,020	5,283
Yields curve shift up by 0.5 %	(1,351)	1,351	1,185	(1,092)	1,092	958
Yields curve shift down by 0.5 %	1,368	(1,368)	(1,200)	1,103	(1,103)	(968)
Loss reserve increase by 5 %	10,083	(10,083)	(8,848)	6,801	(6,801)	(5,968)
Loss reserve decrease by 5 %	(10,083)	10,083	8,847	(6,801)	6,801	5,968

Following are the sensitivities derived for the portfolios computed under VFA approach before risk mitigation by reinsurance contracts held

	31 December 2025, (Audited)			31 December 2024, (Audited)		
	Insurance contract liabilities	Impact on profit/(loss) before zakat and tax	Impact on equity	Insurance contract liabilities	Impact on profit/(loss) before zakat and tax	Impact on equity
Insurance contract liabilities	1,590,919			705,126		
Lapse/surrenders scenario increase by 20%	642	(642)	(564)	491	(491)	(430)
Lapse/surrenders scenario decrease by 20%	(783)	783	687	(1,121)	1,121	984
Mortality increase by 10%	279	(279)	(245)	174	(174)	(153)
Mortality decrease by 10%	(280)	280	245	(169)	169	148
Expenses increase by 5%	456	(456)	(400)	217	(217)	(191)
Expenses decrease by 5%	(455)	455	399	(206)	206	181
Yields curve shift up by 0.5%	337	(337)	(296)	57	(57)	(50)
Yields curve shift down by 0.5%	(338)	338	297	(62)	62	54

*Excludes IDI

Following are the sensitivities derived for the portfolios computed under VFA approach after risk mitigation by reinsurance contracts held

	31 December 2025, (Audited)			31 December 2024, (Audited)		
	Net insurance contract liabilities	Impact on profit/(loss) before zakat and tax	Impact on equity	Net insurance contract liabilities	Impact on profit/(loss) before zakat and tax	Impact on equity
Insurance contract liabilities	1,590,919			705,126		
Reinsurance contract Assets	(19,719)			(29,169)		
Net insurance contract liabilities	**1,571,200**			**675,957**		
Lapse/surrenders scenario increase by 20%	660	(660)	(579)	500	(500)	(439)
Lapse/surrenders scenario decrease by 20%	(804)	804	706	(1,116)	1,116	979
Mortality increase by 10%	263	(263)	(231)	266	(266)	(233)
Mortality decrease by 10%	(263)	263	231	(261)	261	229
Expenses increase by 5%	455	(455)	(399)	216	(216)	(189)
Expenses decrease by 5%	(453)	453	398	(204)	204	179
Yields curve shift up by 0.5%	302	(302)	(265)	23	(23)	(20)
Yields curve shift down by 0.5%	(302)	302	265	(27)	27	23

*Excludes IDI

CLAIMS DEVELOPMENT TABLE

The following tables show the estimates of cumulative incurred claims, including both claims notified and IBNR for each successive accident year at each reporting date, together with cumulative payments to date. As required by IFRS 17, in setting claims provisions, the Company gives consideration to the probability and magnitude of future experience being more adverse than assumed which is reflected in the risk adjustment.

In general, the uncertainty associated with the ultimate cost of settling claims is greatest when the claim is at an early stage of development. As claims develop, the ultimate cost of claims becomes more certain.

The Company aims to maintain adequate reserves in respect of its insurance business in order to protect against adverse future claims experience and developments. Claims triangulation analysis is by accident years, spanning a number of financial years.

31 December 2025	2020 & earlier	2021	2022	2023	2024	2025	Total
Accident year							
Undiscounted liabilities for incurred claims, gross of reinsurance:							
At end of accident year	4,196,179	311,432	852,194	1,060,980	1,327,105	1,846,125	1,846,125
1 year later	4,224,317	502,402	691,198	1,025,883	1,300,155		1,300,155
2 years later	4,209,986	478,431	691,877	1,010,258			1,010,258
3 years later	4,264,789	477,236	687,882				687,882
4 years later	4,252,689	469,827					469,827
5 years later	4,234,154						4,234,154
Gross estimates of the undiscounted amount of the claims	4,234,154	469,827	687,882	1,010,258	1,300,155	1,846,125	9,548,401
Cumulative gross claims and other directly attributable expenses paid	(4,084,723)	(458,694)	(671,838)	(887,320)	(1,183,530)	(1,188,267)	(8,474,372)
Gross undiscounted liabilities for incurred claims	**149,431**	**11,133**	**16,044**	**122,938**	**116,625**	**657,858**	**1,074,029**
Effect of discounting							(19,781)
Gross discounted liabilities for incurred claims excluding risk adjustment							**1,054,248**
Effect of the risk adjustment margin for non-financial risk							37,737
Effect of LRC - LIC Transfers							(75,763)
Gross liabilities for incurred claims							**1,016,222**

*Excludes IDI

31 December 2025	2020 & earlier	2021	2022	2023	2024	2025	Total
Accident year							
Undiscounted liabilities for incurred claims , net of reinsurance:							
At end of accident year	2,405,876	283,367	493,848	670,409	949,503	1,281,903	1,281,903
1 year later	2,403,992	396,869	477,940	615,352	944,586		944,586
2 years later	2,334,861	387,846	478,617	617,642			617,642
3 years later	2,377,312	387,063	477,524				477,524
4 years later	2,375,004	385,487					385,487
5 years later	2,367,749						2,367,749
Net estimates of the undiscounted amount of the claims	2,367,749	385,487	477,524	617,642	944,586	1,281,903	6,074,891
Cumulative Net claims and other directly attributable expenses paid	(2,263,214)	(382,020)	(471,970)	(596,485)	(917,069)	(987,371)	(5,618,129)
Net undiscounted liabilities for incurred claims	**104,535**	**3,467**	**5,554**	**21,157**	**27,517**	**294,532**	**456,762**
Effect of discounting							(8,573)
Net discounted liabilities for incurred claims excluding risk adjustment							**448,189**
Effect of the risk adjustment margin for non-financial risk							9,865
Effect of LRC - LIC Transfers							(31,612)
Net liabilities for incurred claims							**426,442**

*Excludes IDI

31 December 2024	2019 & earlier	2020	2021	2022	2023	2024	Total
Accident year							
Undiscounted liabilities for incurred claims, gross of reinsurance:							
At end of accident year	3,902,729	256,313	311,432	852,194	1,060,980	1,327,105	1,327,105
1 year later	3,939,866	315,117	502,402	691,198	1,025,883		1,025,883
2 years later	3,909,200	312,497	478,431	691,877			691,877
3 years later	3,897,489	318,937	477,236				477,236
4 years later	3,945,852	316,304					316,304
5 years later	3,936,385						3,936,385
Gross estimates of the undiscounted amount of the claims	3,936,385	316,304	477,236	691,877	1,025,883	1,327,105	7,774,790
Cumulative gross claims and other directly attributable expenses paid	(3,808,709)	(310,638)	(457,077)	(669,439)	(875,217)	(933,749)	(7,054,829)
Gross undiscounted liabilities for incurred claims	**127,676**	**5,666**	**20,159**	**22,438**	**150,666**	**393,356**	**719,961**
Effect of discounting							(19,879)
Gross discounted liabilities for incurred claims excluding risk adjustment							**700,082**
Effect of the risk adjustment margin for non-financial risk							23,047
Effect of LRC - LIC Transfers							(8,331)
Gross liabilities for incurred claims							**714,798**

*Excludes IDI

31 December 2024	2019 & earlier	2020	2021	2022	2023	2024	Total
Accident year							
Undiscounted liabilities for incurred claims , net of reinsurance:							
At end of accident year	2,179,275	187,818	283,367	493,848	670,409	949,503	949,503
1 year later	2,218,058	189,535	396,869	477,940	615,352		615,352
2 years later	2,214,457	189,278	387,846	478,617			478,617
3 years later	2,145,583	191,032	387,063				387,063
4 years later	2,186,280	190,435					190,435
5 years later	2,184,569						2,184,569
Net estimates of the undiscounted amount of the claims	2,184,569	190,435	387,063	478,617	615,352	949,503	4,805,539
Cumulative Net claims and other directly attributable expenses paid	(2,087,190)	(188,762)	(381,236)	(471,082)	(618,915)	(736,549)	(4,483,734)
Net undiscounted liabilities for incurred claims	**97,379**	**1,673**	**5,827**	**7,535**	**(3,563)**	**212,954**	**321,805**
Effect of discounting							(7,104)
Net discounted liabilities for incurred claims excluding risk adjustment							**314,701**
Effect of the risk adjustment margin for non-financial risk							7,049
Effect of LRC - LIC Transfers							5,916
Net liabilities for incurred claims							**327,666**

*Excludes IDI

Financial Risks

Financial risks comprises of the followings:

a. Liquidity Risk
b. Market Risk
c. Operational Risk
d. Credit Risk

These risks have been briefly explained below:

a. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with the timing differences between gross cash outflows and expected reinsurance recoveries.

The following policies and procedures are in place to mitigate the Company's exposure to liquidity risk:

a. The Company's liquidity risk policy sets out the assessment and determination of what constitutes liquidity risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

b. The Company maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow. The Company also has committed lines of credit that it can access to meet liquidity needs.

i. Maturity profiles

The following table summarizes the maturity profile of groups of insurance contracts issued and reinsurance contracts held that are liabilities of the Company based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented. This anlaysis is exclusive of the liabilities for remaining coverage measured applying the PAA approach:

	31 December 2025						
	Up to 1 Year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	>5 years	Total
Insurance contract Liabilities							
Liabilities for Incurred Claims for contracts measured under PAA:							
Medical	199,623	1,282	0	0	0	0	200,905
Motor	106,633	19,330	9,272	4,629	1,670	3,275	144,809
Property	81,022	8,630	5,462	2,266	1,010	752	99,142
Engineering	106,759	2,098	1,328	551	245	183	111,164
Protection & Savings - non-linked	260,057	19,091	3,205	422	0	0	282,775
Others	112,953	10,372	6,565	2,724	1,214	904	134,732
Liabilities for contracts measured under VFA:							
Protection & Savings -linked - PVFCFs - LIC	4,957	0	0	0	0	0	4,957
Protection & Savings -linked - PVFCFs - LRC	1,529,966	(17,000)	(15,382)	(11,553)	(9,317)	(36,913)	1,439,801
Total	**2,401,970**	**43,803**	**10,450**	**(961)**	**(5,178)**	**(31,799)**	**2,418,285**
Reinsurance contract liabilities							
Liabilities for Incurred Claims for contracts measured under PAA:							
Medical	0	0	0	0	0	0	0
Motor	5,696	2,348	1,126	562	203	398	10,333
Property	79,855	8,303	5,255	2,180	971	723	97,287
Engineering	97,133	1,830	1,158	481	214	159	100,975
Protection & Savings - non-linked	213,335	16,182	2,716	357	0	0	232,590
Others	103,843	6,879	4,354	1,806	805	599	118,286
Liabilities for contracts measured under VFA:							
Protection & Savings -linked - PVFCFs - LIC	2,236	0	0	0	0	0	2,236
Protection & Savings -linked - PVFCFs - LRC	(442)	(315)	(228)	(154)	(109)	(364)	(1,612)
Total	**501,656**	**35,227**	**14,381**	**5,232**	**2,084**	**1,515**	**560,095**

**Includes the underlying assets for Protection & Savings -linked business and excludes IDI*

	31 December 2024						
	Up to 1 Year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	>5 years	Total
Insurance contract Liabilities							
Liabilities for Incurred Claims for contracts measured under PAA:							
Medical	134,950	414	300	241	0	0	135,905
Motor	99,314	14,859	6,856	3,180	931	1,405	126,545
Property	80,119	3,803	2,395	1,020	350	400	88,087
Engineering	20,366	2,854	1,797	766	262	300	26,345
Protection & Savings - non-linked	178,822	8,426	1,567	332	0	0	189,147
Others	100,661	9,891	6,229	2,653	909	1,041	121,384
Liabilities for contracts measured under VFA:							
Protection & Savings -linked - PVFCFs - LIC	4,339	0	0	0	0	0	4,339
Protection & Savings -linked - PVFCFs - LRC	650,269	(15,563)	(13,959)	(11,243)	(9,511)	(39,836)	560,157
Total	**1,268,842**	**24,684**	**5,185**	**(3,051)**	**(7,058)**	**(36,691)**	**1,251,909**
Reinsurance contract liabilities							
Liabilities for Incurred Claims for contracts measured under PAA:							
Medical	0	0	0	0	0	0	0
Motor	5,586	2,963	1,367	634	186	280	11,016
Property	73,960	3,405	2,144	913	313	358	81,093
Engineering	15,871	2,624	1,653	704	241	276	21,369
Protection & Savings - non-linked	134,841	6,515	1,212	257	0	0	142,825
Others	98,969	6,644	4,184	1,782	611	699	112,889
Liabilities for contracts measured under VFA:							
Protection & Savings -linked - PVFCFs - LIC	1,818	0	0	0	0	0	1,818
Protection & Savings -linked - PVFCFs - LRC	(566)	(430)	(301)	(212)	(139)	(443)	(2,091)
Total	**330,479**	**21,721**	**10,259**	**4,078**	**1,211**	**1,170**	**368,918**

**Includes the underlying assets for Protection & Savings -linked business and excludes IDI*

Maturity analysis for financial assets (contractual undiscounted cash flow basis)

The following table summarizes the maturity profile of financial assets of the Company based on the remaining undiscounted contractual cash flows, including profit receivable:

	31 December 2025							
	Up to 1 Year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	>5 years	No maturity	Total
Insurance Operations - Financial assets								
Cash and cash equivalents	257,451	0	0	0	0	0	0	257,451
Investment measured at amortized cost	50,339	19,877	0	4,970	0	40,656	0	115,842
Unit-linked investments	0	0	0	0	0	0	1,460,040	1,460,040
Total	**307,790**	**19,877**	**0**	**4,970**	**0**	**40,656**	**1,460,040**	**1,833,333**

	31 December 2025							
	Up to 1 Year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	>5 years	No maturity	Total
Shareholders' Operations - Financial assets								
Cash and cash equivalents	1,717	0	0	0	0	0	0	1,717
Investments measured at FVTPL	0	0	0	0	0	0	512,993	512,993
Investment measured at FVOCI	25,091	34,858	0	125,930	95,209	0	155,674	436,762
Investment measured at amortized cost	203,913	80,584	0	25,146	37,005	330,634	0	677,282
Total	**230,721**	**115,442**	**0**	**151,076**	**132,214**	**330,634**	**668,667**	**1,628,754**

	31 December 2025							
	Up to 1 Year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	>5 years	No maturity	Total
Combined								
Cash and cash equivalents	259,168	0	0	0	0	0	0	259,168
Investments measured at FVTPL	0	0	0	0	0	0	512,993	512,993
Investment measured at FVOCI	25,091	34,858	0	125,930	95,209	0	155,674	436,762
Investment measured at amortized cost	254,252	100,461	0	30,116	37,005	371,290	0	793,124
Unit-linked investments	0	0	0	0	0	0	1,460,040	1,460,040
Total	**538,511**	**135,319**	**0**	**156,046**	**132,214**	**371,290**	**2,128,707**	**3,462,087**

	31 December 2024							
	Up to 1 Year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	>5 years	No maturity	Total
Insurance Operations - Financial assets								
Cash and cash equivalents	32,168	0	0	0	0	0	13,375	45,543
Investment measured at amortized cost	53,390	0	19,433	0	0	0	0	72,823
Unit-linked investments	0	0	0	0	0	0	655,362	655,362
Total	**85,558**	**0**	**19,433**	**0**	**0**	**0**	**668,737**	**773,728**

	31 December 2024							
	Up to 1 Year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	>5 years	No maturity	Total
Shareholders' Operations - Financial assets								
Cash and cash equivalents	35,155	0	0	0	0	0	1,320	36,475
Investments measured at FVTPL	20,000	0	0	0	0	0	454,871	474,871
Investment measured at FVOCI	0	0	0	0	0	0	329,393	329,393
Investment measured at amortized cost	556,387	0	30,232	0	25,182	275,803	0	887,604
Total	**611,542**	**0**	**30,232**	**0**	**25,182**	**275,803**	**785,584**	**1,728,343**

	31 December 2024							
	Up to 1 Year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	>5 years	No maturity	Total
Combined								
Cash and cash equivalents	67,323	0	0	0	0	0	14,695	82,018
Investments measured at FVTPL	20,000	0	0	0	0	0	454,871	474,871
Investment measured at FVOCI	0	0	0	0	0	0	329,393	329,393
Investment measured at amortized cost	609,777	0	49,665	0	25,182	275,803	0	960,427
Unit-linked investments	0	0	0	0	0	0	655,362	655,362
Total	**697,100**	**0**	**49,665**	**0**	**25,182**	**275,803**	**1,454,321**	**2,502,071**

b. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument, insurance contract issued, or reinsurance contract held will fluctuate because of changes in market prices. Market risk comprises three types of risk:

- Currency risk (foreign exchange rates);
- Commission rate risk (market profit rates); and
- Price risk (market prices).

The Company's market risk policy sets out the assessment and determination of what constitutes market risk for the Company. Compliance with the policy is monitored and exposures and breaches are reported to the Company risk committee. The policy is reviewed regularly for pertinence and for changes in the risk environment.

Guidelines are set for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities and that assets are held to deliver income and gains for policyholders which are in line with their expectations.

The Company stipulates diversification benchmarks by type of instrument and geographical area, as the Company is exposed to guaranteed bonuses, cash and annuity options when profit rates fall.

There is strict control over hedging activities (e.g., equity derivatives are only permitted to be held to facilitate portfolio management or to reduce investment risk).

The Board of Directors of the Company ensure that the overall market risk exposure is maintained at prudent levels and is consistent with the available capital. While the Board gives a strategic direction and goals, risk management function related to market risk is mainly the responsibility of Investment Committee team. The team prepares forecasts showing the effects of various possible changes in market conditions related to risk exposures. This risk is being mitigated through the proper selection of securities. Company maintains diversified portfolio and performs regular monitoring of developments in related markets. In addition, the key factors that affect stock and sukuk market movements are monitored, including analysis of the operational and financial performance of investees.

The nature of the Company's exposure to market risks and its objectives, policies and processes used to manage and measure the risks have not changed from the previous period.

i. Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument, insurance contract assets and/or liabilities will fluctuate because of changes in foreign exchange rates. The Company's principal transactions are carried out in Saudi Arabian Riyals (SAR) and its exposure to foreign exchange risk arises primarily with respect to the US dollar which is pegged with SAR and therefore the financial instruments are not sensitive to currency fluctuations. .The Company's financial assets are primarily denominated in the SAR.

The Company mitigates some of the foreign currency risk associated with insurance contracts by holding reinsurance contracts denominated in the same currencies as its insurance contract liabilities.

ii. Commission rate risk

Commission rate risk is the risk that the fair value or future cash flows of a financial instrument or insurance contract or reinsurance contract will fluctuate because of changes in market commission rates.

Floating rate instruments expose the Company to cash flow commission risk, whereas fixed commission rate instruments expose the Company to fair value commission risk.

There is no direct contractual relationship between financial assets and insurance and reinsurance contracts. However, the Company's commission rate risk policy requires it to manage the extent of net commission rate risk by maintaining an appropriate mix of fixed and variable rate instruments to support the insurance contract liabilities. The Company has no significant concentration of commission rate risk.

The Company is exposed to commission rate risk through its debt instruments held, deposits and in respect of liabilities or assets for incurred claims where cash flows are not expected to be settled within a year from when claims are incurred.

The Company's exposure to commission rate risk sensitive insurance and reinsurance contracts, deposits and debt instruments are, as follows:

	31 Dec 2025	31 Dec 2024
Insurance contract liabilities, net		
Medical	281,170	226,097
Motor	236,893	233,983
Property	94,498	84,837
Engineering	148,984	77,246
Protection & Savings - non-linked	308,857	202,781
Protection & Savings -linked	1,590,919	705,126
Others	338,513	279,998
Reinsurance contract assets, net		
Motor	9,528	11,368
Property	97,640	84,380
Engineering	119,886	50,321
Protection & Savings - non-linked	246,770	141,121
Protection & Savings -linked	19,719	29,169
Others	289,260	239,893
Debt instruments at FVOCI	281,087	195,102
Debt instruments at FVTPL	126,201	116,593
Debt instruments at amortized cost	793,124	960,427

The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit/(loss) before tax and impact on equity. The correlation of variables will have a significant effect in determining the ultimate impact of profit rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non-linear. The method used for deriving sensitivity information and significant variables has not changed from the previous period.

		31 Dec 2025		31 Dec 2024	
	Changes in profit rate	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Insurance contract liabilities, net	5%	149,992	131,618	90,503	79,417
Reinsurance contract assets, net	5%	39,140	34,345	27,813	24,406
Debt instruments at FVOCI	5%	14,054	12,333	9,755	8,560
Debt instruments at FVTPL	5%	6,310	5,537	5,830	5,116
Debt instruments at amortized cost	5%	39,656	34,798	48,021	42,139
Insurance contract liabilities, net	-5%	(149,992)	(131,618)	(90,503)	(79,417)
Reinsurance contract assets, net	-5%	(39,140)	(34,345)	(27,813)	(24,406)
Debt instruments at FVOCI	-5%	(14,054)	(12,333)	(9,755)	(8,560)
Debt instruments at FVTPL	-5%	(6,310)	(5,537)	(5,830)	(5,116)
Debt instruments at amortized cost	-5%	(39,656)	(34,798)	(48,021)	(42,139)

iii. Price risk

Price risk is the risk that the fair value or future cash flows of financial instruments or insurance contract assets and/or liabilities will fluctuate because of changes in market prices (other than those arising from profit rate or foreign exchange rate risk), whether those changes are caused by factors specific to the individual financial instrument or contract, or by factors affecting all similar contracts or financial instruments traded in the market. The Company's price risk exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices.

Also, only the insurance contract liability portfolio of unit linked contracts with participating feature is exposed to price risk. However, this risk is offset by the underlying investments for unit linked contracts.

The Company's price risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investments, diversification plans, limits on individual and total equity instruments.

The Company has no significant concentration of price risk.

At the reporting date, the Company's exposure to profit rate risk sensitive insurance contracts and equity instruments are, as follows:

	31 Dec 2025	31 Dec 2024
Net Insurance contract liabilities for Unit Linked investment contracts	1,561,616	668,444
Investment for unit linked contracts	1,460,040	655,362
Equity investments listed in local market	155,674	134,712
Debt instruments carried at FVTPL	126,201	116,593
Debt instruments carried at FVOCI	281,087	195,102

The impact of hypothetical change of a 10% increase and 10% decrease in the market prices of investments on Company's profit would be as follows:

	Fair value change	Effect on Company's profit
31-Dec-25	+ / - 10,847	+ / - 6,809
31-Dec-24	+ / - 8,360	+ / - 9,030

This analysis was performed for reasonably possible movements in the market index with all other variables held constant. The correlation of variables will have a significant effect in determining the ultimate impact on price risk, but to demonstrate the impact due to changes in variables, variables had to be changed on individual basis. It should be noted that movements in these variables are non-linear. The method used for deriving sensitivity information and significant variables has not changed from the previous period.

c. Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors. The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. This responsibility encompasses the controls in the following areas:

- Requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- Requirements for the reconciliation and monitoring of transactions;
- Compliance with regulatory and other legal requirements;
- Documentation of controls and procedures;
- Requirements for the yearic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- Ethical and business standards; and
- Risk mitigation policies and procedures.

d. Credit risk

Credit risk is the risk that one party to a financial instrument, insurance contract issued in an asset position or reinsurance contract held will cause a financial loss for the other party by failing to discharge an obligation.

The following policies and procedures are in place to mitigate the Company's exposure to credit risk.

- The Company's credit risk policy sets out the assessment and determination of what constitutes credit risk for the Company.
- Compliance with the policy is monitored and exposures and breaches are reported to the Company's risk committee.
- The policy is regularly reviewed for pertinence and for changes in the risk environment.
- Credit risk relating to financial instruments is monitored by the Company's investment team. It is their responsibility to review and manage credit risk, including environmental risk for all counterparties.
- The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.
- It is the Company's policy to invest in high quality financial instruments with a low risk of default. If there is a significant increase in credit risk, the policy dictates that the instrument should be sold and amounts recovered reinvested in high quality instruments.
- Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy.
- The credit risk in respect of customer balances incurred on non-payment of premiums will only persist during the grace period specified in the policy document.
- Commission paid to intermediaries is netted off against amounts receivable from them to reduce the risk of default.

Credit exposure by credit rating

The table below provides information regarding the credit risk exposure of the company by classifying assets according to the Company's credit ratings of counterparties.

	31 Dec 2025			
		Non-investment Grade		
	Investment Grade	Not Impaired	Impaired	Total
Insurance Operations				
Cash and cash equivalents	257,375	76	0	257,451
Insurance contract assets	0	830	0	830
Reinsurance contract assets	771,799	0	0	771,799
Investment measured at amortized cost	115,842	0	0	115,842
Unit-linked investments	1,460,040	0	0	1,460,040
Prepayments and other assets	0	61,981	0	61,981
Due from shareholders'/insurance operations	441,189	0	0	441,189
Total	**3,046,245**	**62,887**	**0**	**3,109,132**
Shareholders' Operations				
Cash and cash equivalents	1,717	0	0	1,717
Investments measured at FVTPL	268,838	244,155	0	512,993
Investment measured at FVOCI	291,318	145,444	0	436,762
Investment measured at amortized cost	677,282	0	0	677,282
Prepayments and other assets	0	5,283	0	5,283
Due from shareholders'/insurance operations	(441,189)	0	0	(441,189)
Due from related parties	0	65	0	65
Others	0	80,122	0	80,122
Total	**797,966**	**475,069**	**0**	**1,273,035**
Combined				
Cash and cash equivalents	259,092	76	0	259,168
Insurance contract assets	0	830	0	830
Reinsurance contract assets	771,799	0	0	771,799
Investment measured at amortized cost	793,124	0	0	793,124
Unit-linked investments	1,460,040	0	0	1,460,040
Prepayments and other assets	0	67,264	0	67,264
Investments measured at FVTPL	268,838	244,155	0	512,993
Investment measured at FVOCI	291,318	145,444	0	436,762
Due from related parties	0	65	0	65
Others	0	80,122	0	80,122
Total	**3,844,211**	**537,956**	**0**	**4,382,167**

	31 Dec 2024			
		Non-investment Grade		
	Investment Grade	Not Impaired	Impaired	Total
Insurance Operations				
Cash and cash equivalents	45,467	76	0	45,543
Insurance contract assets	0	4,142	0	4,142
Reinsurance contract assets	536,417	0	0	536,417
Investment measured at amortized cost	72,823	0	0	72,823
Unit-linked investments	655,362	0	0	655,362
Prepayments and other assets	0	55,415	0	55,415
Due from shareholders'/insurance operations	514,450	0	0	514,450
Total	**1,824,519**	**59,633**	**0**	**1,884,152**
Shareholders' Operations				
Cash and cash equivalents	36,475	0	0	36,475
Investments measured at FVTPL	225,676	249,195	0	474,871
Investment measured at FVOCI	207,146	122,247	0	329,393
Investment measured at amortized cost	887,604	0	0	887,604
Prepayments and other assets	0	4,910	0	4,910
Due from shareholders'/insurance operations	(514,450)	0	0	(514,450)
Due from related parties	0	508	0	508
Others	0	82,116	0	82,116
Total	**842,451**	**458,976**	**0**	**1,301,427**
Combined				
Cash and cash equivalents	81,942	76	0	82,018
Insurance contract assets	0	4,142	0	4,142
Reinsurance contract assets	536,417	0	0	536,417
Investment measured at amortized cost	960,427	0	0	960,427
Unit-linked investments	655,362	0	0	655,362
Prepayments and other assets	0	60,325	0	60,325
Investments measured at FVTPL	225,676	249,195	0	474,871
Investment measured at FVOCI	207,146	122,247	0	329,393
Due from related parties	0	508	0	508
Others	0	82,116	0	82,116
Total	**2,666,970**	**518,609**	**0**	**3,185,579**

i. Impairment assessment

The Company's ECL assessment and measurement method is set out below.

1. Significant increase in credit risk, default, and cure

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12m ECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition.

The Company considers that there has been a significant increase in credit risk when any contractual payments are more than 30 days past due. In addition, the Company also considers a variety of instances that may indicate unlikeliness to pay by assessing whether there has been a significant increase in credit risk. Such events include:

- Internal rating of the counterparty indicating default or near-default
- The counterparty having past due liabilities to public creditors or employees.
- The counterparty (or any legal entity within the debtor's group) filing for bankruptcy application/protection.
- Counterparty's listed debt or equity suspended at the primary exchange because of rumors or facts about financial difficulties.

The Company considers a financial instrument defaulted and, therefore, credit impaired for ECL calculations in all cases when the counterparty becomes 90 days past due on its contractual payments. The Company may also consider an instrument to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. In such cases, the Company recognizes a lifetime ECL.

In rare cases when an instrument identified as defaulted, it is the Company's policy to consider a financial instrument as 'cured' and, therefore, re-classified out of credit-impaired when none of the default criteria have been present for at least twelve consecutive months.

There has been no significant increase in credit risk or default for financial assets during the year.

2. Expected credit loss

The Company assesses the possible default events within 12 months for the calculation of the 12mECL. Given the investment policy, the probability of default for new instruments acquired is generally determined to be minimal and the expected loss given default ratio assumed to be 100%.

In rare cases where a lifetime ECL is required to be calculated, the probability of default is estimated based on economic scenarios.

ii. Impairment losses on financial investments subject to impairment assessment

1. Debt instruments measured at FVOCI

The table below shows the fair value of the Company's debt instruments measured at FVOCI by credit risk, based on its internal credit rating system.

	31 Dec 2025			31 Dec 2024		
	12m ECL	LTECL	Total	12m ECL	LTECL	Total
Internal rating grade						
Performing						
Investment Grade	281,087	0	281,087	195,102	0	195,102
Not Impaired	0	0	0	0	0	0
Impaired	0	0	0	0	0	0
Total Gross Amount	**281,087**	**0**	**281,087**	**195,102**	**0**	**195,102**
ECL	**0**	**0**	**0**	**0**	**0**	**0**
Total Net Amount	**281,087**	**0**	**281,087**	**195,102**	**0**	**195,102**

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

	31 Dec 2025			31 Dec 2024		
	12m ECL	LTECL	Total	12m ECL	LTECL	Total
Fair value as at 01 January	195,102	0	195,102	70,000	0	70,000
New assets originated or purchased	92,500	0	92,500	122,812	0	122,812
Assets derecognized or matured	(10,000)	0	(10,000)	0	0	0
Accrued profit capitalized	0	0	0	0	0	0
Change in fair value	3,485	0	3,485	2,290	0	2,290
Movement between 12mECL and LTECL	0	0	0	0	0	0
At 31 December	**281,087**	**0**	**281,087**	**195,102**	**0**	**195,102**

	31 Dec 2025			31 Dec 2024		
	12m ECL	LTECL	Total	12m ECL	LTECL	Total
ECL as at 01 January	0	0	0	0	0	0
New assets originated or purchased	0	0	0	0	0	0
Assets derecognized or matured (excluding write-offs)	0	0	0	0	0	0
Unwind of discount	0	0	0	0	0	0
Net foreign exchange expense/(income)	0	0	0	0	0	0
Movement between 12mECL and LTECL	0	0	0	0	0	0
At 31 December	0	0	0	0	0	0

2. Debt instruments measured at amortized cost

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment al allowances.

	31 Dec 2025			31 Dec 2024		
	12m ECL	LTECL	Total	12m ECL	LTECL	Total
Internal rating grade						
Performing						
Investment Grade	793,940	0	793,940	960,994	0	960,994
Not Impaired	0	0	0	0	0	0
Impaired	0	0	0	0	0	0
Total Gross Amount	**793,940**	**0**	**793,940**	**960,994**	**0**	**960,994**
ECL	(816)	0	(816)	(567)	0	(567)
Total Net Amount	**793,124**	**0**	**793,124**	**960,427**	**0**	**960,427**

An analysis of changes in the fair value and the corresponding ECLs is, as follows:

	31 Dec 2025			31 Dec 2024		
	12m ECL	LTECL	Total	12m ECL	LTECL	Total
Gross amount as at 01 January	960,994	0	960,994	979,335	0	979,335
New assets originated or purchased	559,629	0	559,629	713,538	0	713,538
Assets derecognized or matured (excluding write-offs)	(734,055)	0	(734,055)	(735,920)	0	(735,920)
Accrued profit capitalized	7,372	0	7,372	4,041	0	4,041
Movement between 12mECL and LTECL	0	0	0	0	0	0
At 31 December	**793,940**	**0**	**793,940**	**960,994**	**0**	**960,994**

	31 Dec 2025			31 Dec 2024		
	12m ECL	LTECL	Total	12m ECL	LTECL	Total
ECL as at 01 January	(567)	0	(567)	(767)	0	(767)
New assets originated or purchased	(402)	0	(402)	(57)	0	(57)
Assets derecognized or matured (excluding write-offs)	153	0	153	257	0	257
Unwind of discount	0	0	0	0	0	0
Movement between 12mECL and LTECL	0	0	0	0	0	0
At 31 December	**(816)**	**0**	**(816)**	**(567)**	**0**	**(567)**

Below is the table showing the movement in the Expected Credit Loss (ECL) computed on all the applicable insurance, reinsurance, investments and other assets:

	31 Dec 2025			31 Dec 2024		
Insurance Operations	Gross	ECL	Net	Gross	ECL	Net
Cash and cash equivalents	257,485	(34)	257,451	45,568	(25)	45,543
Investments measured at FVTPL	0	0	0	0	0	0
Investment measured at FVOCI	0	0	0	0	0	0
Investment measured at amortized cost	116,017	(175)	115,842	72,983	(160)	72,823
Unit-linked investments	1,460,040	0	1,460,040	655,362	0	655,362
Prepayments and other assets	61,981	0	61,981	55,415	0	55,415
Due from shareholders'/insurance operations	441,189	0	441,189	514,450	0	514,450
Due from related parties	0	0	0	0	0	0
Others	772,629	0	772,629	540,559	0	540,559
Total	**3,109,341**	**(209)**	**3,109,132**	**1,884,337**	**(185)**	**1,884,152**

	31 Dec 2025			31 Dec 2024		
Shareholders' Operations	**Gross**	**ECL**	**Net**	**Gross**	**ECL**	**Net**
Cash and cash equivalents	1,717	0	1,717	36,483	(8)	36,475
Investments measured at FVTPL	512,993	0	512,993	474,871	0	474,871
Investment measured at FVOCI	436,762	0	436,762	329,393	0	329,393
Investment measured at amortized cost	677,923	(641)	677,282	888,011	(407)	887,604
Prepayments and other assets	5,283	0	5,283	4,910	0	4,910
Due from shareholders'/insurance operations	(441,189)	0	(441,189)	(514,450)	0	(514,450)
Due from related parties	65	0	65	508	0	508
Others	80,122	0	80,122	82,116	0	82,116
Total	**1,273,676**	**(641)**	**1,273,035**	**1,301,842**	**(415)**	**1,301,427**

	31 Dec 2025			31 Dec 2024		
Combined	**Gross**	**ECL**	**Net**	**Gross**	**ECL**	**Net**
Cash and cash equivalents	259,202	(34)	259,168	82,051	(33)	82,018
Investments measured at FVTPL	512,993	0	512,993	474,871	0	474,871
Investment measured at FVOCI	436,762	0	436,762	329,393	0	329,393
Investment measured at amortized cost	793,940	(816)	793,124	960,994	(567)	960,427
Unit-linked investments	1,460,040	0	1,460,040	655,362	0	655,362
Prepayments and other assets	67,264	0	67,264	60,325	0	60,325
Due from shareholders'/insurance operations	0	0	0	0	0	0
Due from related parties	65	0	65	508	0	508
Others	852,751	0	852,751	622,675	0	622,675
Total	**4,383,017**	**(850)**	**4,382,167**	**3,186,179**	**(600)**	**3,185,579**

29. EARNING / (LOSS) PER SHARE

Earning / (loss) per share is calculated by dividing shareholders' net profit / (loss) (as defined below) by the weighted average number of issued shares

In calculating earning / (loss) per share, shareholders' net profit / (loss) is stated after deducting zakat and income tax charges and excludes unrealised

Earning / (loss) per share is calculated based on the revised number of shares following the business combination share issue on 15 November 2023. The weighted average number of issued shares in 31 December 2025 is 79,815,300 (31 December 2024: 79,815,300).

30. BUSINESS COMBINATIONS

Al Ahli Takaful Company

The Company entered into a Memorandum of Understanding ("MoU") on 11 April 2021 (corresponding to 29 Sha'ban 1442) with Al Ahli Takaful Company ("ATC") to begin a reciprocal due diligence process and to negotiate the final terms and conditions of the potential Merger ("Merger" or "Transaction") between ATC and the Company.

Later on 12 July 2021 (corresponding to 02 Dhul Hijjah 1442), the Company announced its entry into a binding merger agreement with ATC ("Merger Agreement") in an effort to acquire all shares held by the shareholders of ATC through the submission of an offer to exchange shares without any cash considerations, such exchange to be effected by way of increasing the capital of the Company through the issuance of new ordinary shares to all shareholders in ATC. Accordingly, the Company received a no-objection from Insurance Authority and other regulatory authorities on the merger transaction on 26 October 2021 (corresponding to 23 Rabi Al Awwal 1443).

The shareholders in the Extraordinary General Assembly meeting ("EGAM") held on 09 December 2021 (corresponding to 05 Jumada Al Oula 1443) approved the proposed merger of the Company and ATC to be affected by way of a merger pursuant to Article 191, 192, and 193 of the Companies Law issued under Royal Decree No. M3 dated 10 November 2015 (corresponding to 28 Muharram 1437), through the issuance of 1.43114769137705 new shares in the Company for each share in ATC subject to the terms and conditions of the Merger Agreement.

The Company has announced the effectiveness of the merger of ATC into the Company on 12 January 2022 (corresponding to 09 Jumada Al-Thani 1443) after satisfying the Merger conditions agreed between the two companies in the Merger agreement and set out in the Shareholder Circular and the Offer Document issued by the Company with respect to the Merger, including the expiry of the creditors' objection period with no outstanding or unsettled objections. The merger resulted in the increase of the paid-up capital from 400,000 to 638,525.

The merger has been accounted for using the acquisition method under IFRS 3 – Business Combinations (the "Standard") with the Company being the acquirer and ATC being the acquiree. The Company has accounted for the acquisition based on provisional fair values of the acquired assets and assumed liabilities as at 12 January 2022 "acquisition date". Adjustment to the provisional values and their impact on the goodwill and acquired net assets of the Company will be finalised within twelve months of the date of acquisition as allowed by the Standard.

Purchase consideration

The purchase consideration was determined to be 594,404 which consisted of the issue of 23,852,462 new shares to the shareholders of ATC.

The fair value of the new issued shares of the Company was determined on the basis of the closing market price of the ordinary shares of ﷼ 24.92 per share on the Tadawul on the last trading date prior to the acquisition date of 12 January 2022. Issue costs which were directly attributable to the issue of the shares were not material. As a result, there was an increase in share capital and share premium of 238,525 and 355,879, respectively.

The management has carried out a comprehensive Purchase Price Allocation undertaking wherein the provisional amounts could be finalised. Following the application of Purchase Price Allocation Methodology, in the final report dated 17 March 2023, the previously recognised goodwill amounting to 352,398 has been divided between intangibles and goodwill by 34,244 and 318,154 respectively. The said revisions are within the aforementioned measurement period.

Identifiable assets acquired and liabilities assumed

The following table summarises the fair value of assets acquired and liabilities assumed as at 12 January 2022.

	Amount
ASSETS	
Cash and cash equivalents	63,476
Premiums and reinsurers' receivable – net	31,571
Reinsurers' share of unearned gross premiums	1,384
Reinsurers' share of outstanding gross claims	57,801
Reinsurers' share of gross claims incurred but not reported	25,751
Unit-linked investments	676,132
Investments	270,688
Prepaid expenses and other assets	13,417
Property and equipment – net	3,354
Intangible assets – net	830
Statutory deposit	16,667
Accrued income on statutory deposit	2,295
TOTAL ASSETS	**1,163,366**
LIABILITIES	
Accrued and other liabilities	31,813
Reinsurers' balances payable	37,289
Unearned gross premiums	2,085
Outstanding gross claims	83,972
Gross claims incurred but not reported	32,718
Unit reserves	691,337
Other technical reserves	437
Due to related parties	229
Accounts payable	446
Withholding tax provision	2,779
End-of-service indemnities	3,462
Policyholders' surplus distribution payable	22,570
Zakat	9,928
Accrued commission income payable to Insurance Authority	2,295
TOTAL LIABILITIES	**921,360**
ATC's net assets as at acquisition date	**242,006**
Goodwill arising from the acquisition	**318,154**
Intangibles recognised from the acquisition	**34,244**
Purchase consideration	**594,404**

Purchase price allocation

The Company has undertaken a comprehensive purchase price allocation and has identified the following intangible assets and their valuation approach and methodologies are further detailed below:

Goodwill	**318,154**
Intangible Assets acquired in merger	
Customer relationships (Group P&S)	**8,348**
Customer relationships (Individual P&S)	**25,896**
Total	**352,398**

Valuation approach and methodology

IAS 38 specifies that if an entity has evidence that it can control economic benefits from non-contractual relationships, those customer relationships are identified as separable and can be recognized as an intangible asset. Alahli Takaful Company's customer base has historically contributed a consistent revenue stream for the Company with various insurance agreements. Hence, the relationship has been regarded to represent a Customer Relationship intangible.

Customer relationships reflect the value derived from future GWP payments expected from underwriting insurance contracts with the existing customer base. Customers have been categorised into group and Individual P&S customers due to differences in attrition rates, GWP per customer and profit margin of the portfolios. The Management has employed "Multi Period Excess Earnings Method" for valuing the customer relationship and is considered to have a useful life of:

- Thirteen (13) years for Group P&S
- Twelve (12) years for Individual P&S.

Alinma Tokio Marine Insurance Company

Arabian Shield Cooperative Insurance Company (the "Company") announces the signing of a non-binding Memorandum of Understanding (the "MOU") with Alinma Tokio Marine Insurance Company (the "ATMC") on 13 December 2022 (corresponding to 19 Jumada Al-Ula 1444) to evaluate a potential merger between the two companies.

The Company signed a binding merger agreement with ATMC on 14 June 2023 (corresponding to 25 Dhu al-Qaʿdah 1444) reflecting the agreement of both companies to merge through a share swap transaction, whereby the Company shall issue 0.5320944333333330000 ordinary shares in the Company against each issued share in ATMC ("Exchange Ratio"), to the benefit of the entitled shareholders in ATMC as consideration for the transfer of assets and liabilities of ATMC to the Company and without any cash consideration being paid ("Merger Transaction" or "Transaction" or "Merger").

The Company announced the effectiveness of the Merger of ATMC into the Company on 15 November 2023 (corresponding to 01 Jumada Al-Awwal 1445) after satisfying the Merger conditions agreed between the two companies in the Merger agreement and set out in the Shareholder Circular and the Offer Document issued by the Company with respect to the Merger, including the expiry of the creditors' objection period with no outstanding or unsettled objections and approving the transaction by the two companies in the Extraordinary General Assemblies.

From the Merger's effective day, the rights, liabilities, assets, and contracts of ATMC shall be transferred to the merging entity, and the merging entity shall become the legal successor of ATMC.

The Company increased its share capital by issuing fifteen million nine hundred sixty-two thousand eight hundred thirty-three (15,962,833) new ordinary shares with a nominal value of ten (10) Saudi Riyals per share (the "New Shares") to ATMC's entitled shareholders based on the Exchange Ratio. The value of ASCIC's share capital accordingly became seven hundred ninety-eight million one hundred fifty-two thousand nine hundred fifty (798,152,950) Saudi Riyals divided into seventy-nine million eight hundred fifteen thousand two hundred ninety-five (79,815,295) ordinary shares.

Purchase consideration

The purchase consideration was determined to be 282,223 which consisted of the issue of 15,962,833 new shares to the shareholders of ATMC.

The fair value of the new issued shares of the Company was determined on the basis of the closing market price of the ordinary shares of ﷼ 17.68 per share on the Tadawul on the last trading date prior to the acquisition date of 15 November 2023. Issue costs which were directly attributable to the issue of the shares were not material. As a result, there was an increase in share capital and share premium of 159,628 and 122,594, respectively.

Identifiable assets acquired and liabilities assumed

The following table summarises the fair value of assets acquired and liabilities assumed as at 15 November 2023.

	Amount
ASSETS	
Cash and cash equivalents	19,369
Investments	157,591
Murabaha deposits	169,937
Insurance contract assets	38
Reinsurance contract assets	215,691
Prepayments and other assets	36,862
Property and equipment	302
Intangible assets	7,016
Right to use assets	1,989
Due from related party	1,529
Statutory deposit	45,000
Unit linked investments	115,416
TOTAL ASSETS	**770,740**
LIABILITIES	
Accrued expenses and other liabilities	34,828
Insurance contract liabilities	444,700
Reinsurance contract liabilities	1,100
Lease liabilities	1,744
Zakat and income tax payable	3,904
Retirement benefit obligation	7,047
TOTAL LIABILITIES	**493,323**
ATMC's net assets as at acquisition date	**277,417**
Intangibles recognised from the acquisition	**12,798**
Extraordinary gain arising from the acquisition	**(7,994)**
Purchase consideration	**282,221**

The Company has undertaken a comprehensive purchase price allocation and has identified the following intangible assets and their valuation approach and methodologies are further detailed below:

Intangible Assets acquired in merger	
Customer relationships	**3,576**
Brokerage channels	**9,222**
Total	**12,798**

Valuation approach and methodology

Brokerage channels includes business with licensed brokers that is subject to annual renewal. The Management noted that c. 72% of the GI and P&S GWP from existing customers is generated through brokers and have valued the distribution network separate from customer relationships as the standalone value of this intangible is material.

The Management has employed "Multi Period Excess Earnings Method" for valuing the brokerage channels and is considered to have a useful life of 6 years.

Customer relationships reflect the value derived from future revenue payments from underwriting insurance contracts with the existing customer base. Customers have been categorized by product, into general insurance ("GI") and protections and savings ("P&S"). The Management have only considered GI customer relationships given the low proportion of revenue observed from the P&S product (less than c.1% of total GWP from FY18-FY23) and have considered revenue from contracts where the relationship is held directly with the client.

The Management has employed "Multi Period Excess Earnings Method" for valuing the customer relationship and is considered to have a useful life of 6 years.

31. COMPARATIVE FIGURES

Management has re-evaluated the accounting treatment and classification for certain transactions and balances recorded in the financial statements in the prior years and current year to determine if such transactions and balances had been accurately accounted for under IFRS accounting standards as endorsed in the Kingdom of Saudi Arabia. Where necessary, adjustments have been made to comparative figures in accordance with International Accounting Standard 8 "Accounting policies, changes in accounting estimates and errors" ("IAS 8") as endorsed in the Kingdom of Saudi Arabia. As a result, certain prior year amounts or balances may have been reclassified to conform with the current presentation.

32. SHARIAH

Surplus Distribution

As a manager of the insurance operations, the Company shall perform all the insurance transactions and business set forth in the policy on behalf of the policyholder. In the event of achieving a net surplus in the insurance account, it shall be distributed according to the following order:

a. Distribution of 10% of the annual net surplus to policyholders directly or by reducing their premiums for the following year.

b. As for the remainder then, an equivalent of (%) of the value of the subscribed premiums shall be carried over to shareholders' account as a fee for the Company's management of insurance business and investment.

c. Then, as for the remainder after the distribution of the above mentioned in paragraphs (a, b above), the Company is entitled to forward (%) of the net surplus to shareholders' accounts as a performance incentive.

As for the net remainder after that - if any – the Company is entitled to retain it in the insurance account or all or distribute all or part of it among the policyholders pursuant to the approval of the Insurance Authority and the General Assembly of the Company.

Shariah non-compliance risk:

As a Shariah-compliant Company, Shariah-compliance is a priority. To mitigate a breach, the Company has implemented extensive Shariah policies and procedures and established a Shariah Committee and a Shariah-Compliance Audit Unit to ensure strict Shariah-compliance in all activities of the Company.

33.1 ESG PERFORMANCE AND INITIATIVES

The Company recognizes the profound and interconnected nature of Environmental, Social, and Governance (ESG) factors in shaping its long-term success. ESG considerations are not merely peripheral concerns, but rather integral to the Company's strategic direction, risk management framework, and overall value creation. From 2024 onwards, the Company undertook the following significant strides in its ESG journey:

- Comprehensive ESG Reporting: the Company has produced its inaugural ESG Report aligned to the IFRS S1 and S2 reporting standards, that provides a transparent and in-depth account of its ESG performance and initiatives. This report, based on 2023 data, is published on the Company's website and serves as a foundational document, outlining the Company's key ESG priorities, materiality assessments, and performance metrics.
- Materiality Assessment and Strategic Framework: the Company conducted a rigorous assessment to identify and prioritize the most material ESG issues relevant to its business operations, stakeholder expectations, and the evolving regulatory landscape. This assessment informed the development of a comprehensive ESG strategy, encompassing robust governance structures, a robust risk management framework, and the establishment of clear, measurable targets aligned with the Company's sustainability objectives and climate change mitigation goals.
- Climate-related risk identification and assessment: the Company has conducted a comprehensive evaluation of the various physical and transitional climate-related risks that could potentially impact its business operations. This assessment represents the Company's initial step in recognizing the significant influence of climate change on the future sustainability of its business model. Moving forward, the Company plans to deepen its analysis of these risks, aiming to gain a more nuanced understanding of their criticality. This enhanced insight will facilitate the development of a robust mitigation strategy in the forthcoming year.
- Ambitious ESG Targets: the Company has set ambitious targets to address its material ESG issues. A key focus area is the reduction of the Company's operational carbon footprint, encompassing a proactive assessment and mitigation of material carbon emissions generated throughout its value chain. These targets demonstrate the Company's commitment to environmental stewardship and its role in contributing to a sustainable future.
- ESG Integration Across the Enterprise: the Company is firmly committed to embedding ESG considerations across all facets of its business operations. This entails integrating ESG factors into strategic decision-making processes, risk management frameworks, and performance evaluation systems. By mainstreaming ESG, the Company aims to enhance its resilience, identify new opportunities, and drive long-term value creation for all stakeholders.

The Company is committed to continuous improvement in its ESG performance and transparency. It will annually update its ESG Report, providing regular and transparent updates on its progress towards its ambitious ESG goals.

33.2 EVENTS AFTER REPORTING DATE

In March 2026, geopolitical instability in the Middle East increased due to regional military actions. The Company has determined that these developments are non-adjusting events. While the Company's financial position remains unaffected at present, management continues to assess the potential for future impacts on its business.

34. BOARD OF DIRECTORS' APPROVAL

The financial statements have been approved by the Board of Directors on 09 March 2026, corresponding to 20th Ramadan, 1447h.

35. SUPPLEMENTARY INFORMATION

STATEMENT OF FINANCIAL POSITION	Audited 31 Dec 2025			Audited 31 Dec 2024		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
Assets						
Cash and cash equivalents	257,451	1,717	259,168	45,543	36,475	82,018
Insurance contract assets	830	0	830	4,142	0	4,142
Reinsurance contract assets	771,799	0	771,799	536,417	0	536,417
Prepayments and other receivables	61,981	5,283	67,264	55,415	4,910	60,325
Due from / (to) shareholders'/insurance operations	441,189	(441,189)	0	514,450	(514,450)	0
Due from related parties	0	65	65	0	508	508
Investments	115,842	1,627,037	1,742,879	72,823	1,691,868	1,764,691
Investment for unit linked contracts	1,460,040	0	1,460,040	655,362	0	655,362
Statutory deposit, net	0	79,815	79,815	0	79,815	79,815
Accrued income on statutory deposit	0	307	307	0	2,301	2,301
Right of use assets, net	74,197	0	74,197	1,226	0	1,226
Property and equipment, net	20,808	0	20,808	5,477	0	5,477
Intangible assets, net	21,247	31,372	52,619	20,003	36,305	56,308
Goodwill	0	364,948	364,948	0	364,948	364,948
Total assets	**3,225,384**	**1,669,355**	**4,894,739**	**1,910,858**	**1,702,680**	**3,613,538**
Liabilities and equity						
Liabilities						
Insurance contract liabilities	2,971,361	0	2,971,361	1,777,528	0	1,777,528
Reinsurance contract liabilities	4,421	0	4,421	6,112	0	6,112
Accrued expenses and other liabilities	157,585	6,904	164,489	105,878	6,968	112,846
Provision for zakat and income tax	0	28,495	28,495	0	40,878	40,878
Lease liabilities	70,745	0	70,745	1,176	0	1,176
Accrued income payable to Insurance Authority (IA)	0	307	307	0	2,301	2,301
Provision for end-of-service benefits (EOSB)	22,613	0	22,613	20,602	0	20,602
Total liabilities	**3,226,725**	**35,706**	**3,262,431**	**1,911,296**	**50,147**	**1,961,443**
Equity						
Share capital	0	798,153	798,153	0	798,153	798,153
Share premium	0	478,473	478,473	0	478,473	478,473
Statutory reserve	0	54,717	54,717	0	54,717	54,717
Retained earnings	0	193,837	193,837	0	237,590	237,590
Fair value reserve for FVOCI investments	0	108,469	108,469	0	83,600	83,600
Total shareholders' equity	**0**	**1,633,649**	**1,633,649**	**0**	**1,652,533**	**1,652,533**
Re-measurement of EOSB related to insurance operations	(1,341)	0	(1,341)	(438)	0	(438)
Total equity	**(1,341)**	**1,633,649**	**1,632,308**	**(438)**	**1,652,533**	**1,652,095**
Total liabilities and equity	**3,225,384**	**1,669,355**	**4,894,739**	**1,910,858**	**1,702,680**	**3,613,538**

STATEMENTS OF INCOME	Audited 31 Dec 2025			Audited 31 Dec 2024		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
Insurance revenue	1,881,892	0	1,881,892	1,566,804	0	1,566,804
Insurance service expense	(1,914,138)	0	(1,914,138)	(1,423,267)	0	(1,423,267)
Insurance service result before reinsurance contracts held	**(32,246)**	**0**	**(32,246)**	**143,537**	**0**	**143,537**
Allocation of reinsurance premiums	(546,132)	0	(546,132)	(507,378)	0	(507,378)
Amounts recoverable from reinsurers for incurred claims	507,447	0	507,447	386,017	0	386,017
Net expense from reinsurance contracts held	**(38,685)**	**0**	**(38,685)**	**(121,361)**	**0**	**(121,361)**
Net insurance service results from Company's direct written	**(70,931)**	**0**	**(70,931)**	**22,176**	**0**	**22,176**
Share of surplus from insurance pools	3,648	0	3,648	7,576	0	7,576
Total insurance service result	**(67,283)**	**0**	**(67,283)**	**29,752**	**0**	**29,752**
Investment income	0	17,871	17,871	0	30,530	30,530
Profit calculated for debt securities measured at amortized cost	6,518	43,698	50,216	14,124	45,645	59,769
Net credit impairment reversal of losses / (losses) on financial assets	(24)	(226)	(250)	(118)	318	200
Net investment income	**6,494**	**61,343**	**67,837**	**14,006**	**76,493**	**90,499**
Net finance expenses from insurance contracts issued	(19,032)	0	(19,032)	(12,152)	0	(12,152)
Net finance income from reinsurance contracts held	12,627	0	12,627	7,667	0	7,667
Net insurance finance expenses	**(6,405)**	**0**	**(6,405)**	**(4,485)**	**0**	**(4,485)**
Net insurance and investment result	**(67,194)**	**61,343**	**(5,851)**	**39,273**	**76,493**	**115,766**
Other expenses						
Non-attributable expenses	(12,535)	(12,884)	(25,419)	(8,213)	(13,828)	(22,041)
Total other expenses	**(12,535)**	**(12,884)**	**(25,419)**	**(8,213)**	**(13,828)**	**(22,041)**
(Loss) / income before zakat and income tax	**(79,729)**	**48,459**	**(31,270)**	**31,060**	**62,665**	**93,725**
Attributable to Insurance Operations	79,729	(79,729)	0	(31,060)	31,060	0
Net (loss) / income for the year attributable to the shareholders before zakat & tax	**0**	**(31,270)**	**(31,270)**	**0**	**93,725**	**93,725**
Provision for zakat	0	(12,106)	(12,106)	0	(20,892)	(20,892)
Provision for tax	0	(377)	(377)	0	(1,838)	(1,838)
Net (loss) / income for the year attributable to the shareholders after zakat & tax	**0**	**(43,753)**	**(43,753)**	**0**	**70,995**	**70,995**
Loss / (earning) per share (expressed in ﷼ per share)		**(0.55)**			**0.89**	
Weighted average number of ordinary outstanding shares (in 'thousands)		**79,815**			**79,815**	

Insurance Operations Surplus:

Surplus from insurance operations for the year ended 31 December 2025 is (Nil) (31 December 2024: 3,451) and it has been allocated/ classified as insurance contract liability considering an increase in insurance service expenses.

STATEMENTS OF COMPREHENSIVE INCOME	Audited 31 Dec 2025			Audited 31 Dec 2024		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
Total (loss) / income for the year attributable to the shareholders	0	(43,753)	(43,753)	0	70,995	70,995
Other comprehensive (loss) / income:						
Items that may be reclassified to the statement of income in subsequent periods						
Net changes in fair value of investments measured at FVOCI – debt instruments	0	3,485	3,485	0	2,290	2,290
Items that will not be reclassified to the statement of income in subsequent periods						
Net changes in fair value of investments measured at FVOCI – equity instruments	0	21,384	21,384	0	33,198	33,198
Re-measurement (loss) / gain on end-of-service benefits	(903)	0	(903)	1,375	0	1,375
Total comprehensive (loss) / income for the year	**(903)**	**(18,884)**	**(19,787)**	**1,375**	**106,483**	**107,858**

STATEMENTS OF CASH FLOWS	Audited 31 Dec 2025			Audited 31 Dec 2024		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / income for the year attributable to the shareholders before zakat & tax	**0**	**(31,270)**	**(31,270)**	**0**	**93,725**	**93,725**
Adjustments for non-cash and non-operating items:						
Depreciation of property and equipment	2,632	0	2,632	2,944	0	2,944
Amortization of intangible assets	5,906	4,933	10,839	7,356	4,954	12,310
Depreciation of right of use assets	4,518	0	4,518	619	0	619
Finance cost on lease libility	2,238	0	2,238	0	0	0
Gain on sale of property and equipment	(24)	0	(24)	0	0	0
Investment income	0	(17,289)	(17,289)	0	(30,657)	(30,657)
Profit calculated for debt securities measured at amortized cost	(5,365)	(43,272)	(48,637)	(11,344)	(45,438)	(56,782)
Net credit impairment (reversal) / losses on financial assets	15	235	250	121	(321)	(200)
Provision for end-of-service benefits	4,536	0	4,536	4,126	0	4,126
Changes in operating assets and liabilities:						
Insurance contract assets	3,312	0	3,312	(4,098)	0	(4,098)
Insurance contract liabilities	1,186,793	0	1,186,793	209,972	0	209,972
Reinsurance contract assets	(235,382)	0	(235,382)	(114,692)	0	(114,692)
Reinsurance contract liabilities	(1,691)	0	(1,691)	3,158	0	3,158
Investment for unit linked contracts	(804,678)	0	(804,678)	8,855	0	8,855
Investments measured at FVTPL	0	(40,788)	(40,788)	0	(100,000)	(100,000)
Prepayments and other receivables	(6,566)	0	(6,566)	25,391	779	26,170
Due from related parties	0	443	443	0	(508)	(508)
Accrued expenses and other liabilities	51,707	(64)	51,643	(45,228)	308	(44,920)
Payments:						
End-of-service benefits paid	(3,428)	0	(3,428)	(3,010)	0	(3,010)
Surplus paid to policyholders	(2,509)	0	(2,509)	0	0	0
Zakat and income tax paid	0	(24,866)	(24,866)	0	(38,705)	(38,705)
Net cash generated from / (used in) operating activities	**202,014**	**(151,938)**	**50,076**	**84,170**	**(115,863)**	**(31,693)**
CASH FLOWS FROM INVESTING ACTIVITIES						
Additions in investments measured at FVOCI and amortised cost	(186,377)	(473,125)	(659,502)	(60,468)	(756,650)	(817,118)
Proceeds from disposal of investments measured at FVOCI and amortised cost	139,291	590,096	729,387	181,867	534,056	715,923
Commission income received	9,417	53,889	63,306	12,614	40,893	53,507
Dividend income received	0	19,581	19,581	0	9,534	9,534
Additions in intangible assets	(7,150)	0	(7,150)	(6,108)	0	(6,108)
Additions in property and equipment	(17,963)	0	(17,963)	(2,422)	0	(2,422)
Proceeds from disposal of property and equipment	24	0	24	0	0	0
Net cash (used in) / generated from investing activities	**(62,758)**	**190,441**	**127,683**	**125,483**	**(172,167)**	**(46,684)**
CASH FLOWS FROM FINANCING ACTIVITY						
Due from insurance / shareholders' operations	73,261	(73,261)	0	(322,494)	322,494	0
Lease liabilities paid	(10,158)	0	(10,158)	(576)	0	(576)
Net cash generated from / (used in) financing activities	**63,103**	**(73,261)**	**(10,158)**	**(323,070)**	**322,494**	**(576)**
Net change in cash and cash equivalents	202,359	(34,758)	167,601	(113,417)	34,464	(78,953)
Cash and cash equivalents, beginning of the year	45,543	36,475	82,018	158,960	2,011	160,971
Cash and cash equivalents, end of the year	**247,902**	**1,717**	**249,619**	**45,543**	**36,475**	**82,018**
NON-CASH INFORMATION						
Net change in unrealised fair value of financial assets at FVOCI	0	24,869	24,869	0	35,488	35,488
Actuarial (loss) / gain on end-of-service benefits	(903)	0	(903)	1,375	0	1,375
Additions in right of use assets	77,489	0	77,489	0	0	0
Additions in lease liabilities	77,489	0	77,489	0	0	0