

**UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

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

UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

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INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL INFORMATION

TO THE SHAREHOLDERS OF UNITED COOPERATIVE ASSURANCE COMPANY – A SAUDI JOINT STOCK COMPANY

INTRODUCTION

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

SCOPE OF REVIEW

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

BASIS FOR QUALIFIED CONCLUSION

As disclosed in Note 8 to the interim condensed financial information, the Company carries goodwill amounting to SAR 78.4 million as at 31 March 2026. As of 31 December 2025, Management performed an impairment assessment, with the support of an independent expert, and concluded that no impairment of goodwill is required. In our view, the impairment assessment, in particular the determination of the recoverable amount, was based on market capitalisation without sufficient adjustments or reconciliation and is therefore not consistent with the requirements of IAS 36 Impairment of Assets and IFRS 13 Fair Value Measurement. In addition, limited consideration has been given to value in use based on future cash flows. Consequently, we are unable to agree with management's conclusion that the carrying amount of goodwill is fully recoverable. Accordingly, the carrying amount of goodwill may be materially overstated as of 31 March 2026. The impact of this matter on the interim condensed financial information has not been determined.

QUALIFIED CONCLUSION

Except for the adjustments to the interim condensed financial information that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

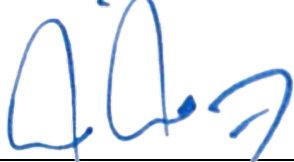
INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL INFORMATION (CONTINUED)

TO THE SHAREHOLDERS OF UNITED COOPERATIVE ASSURANCE COMPANY – A SAUDI JOINT STOCK COMPANY

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 1(e) to the accompanying interim condensed financial information which indicates that the Company has incurred a net loss of SAR 6.87 million and has net operating cash outflows of SAR 17.34 million for the three-month period ended 31 March 2026 and has accumulated losses of SAR 458.7 million as of 31 March 2026 which has exceeded the Company's share capital. These events and conditions, along with other matters as set forth in Note 1 to the accompanying interim-condensed financial information, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not further modified in respect of this matter.

**For RSM Allied Accountants
Professional Services**



Mohammad A Mohandes
License No. 564



**Crowe Solutions for Professional
Consulting**



Musab A. Al Shaikh
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Jeddah: 17 May 2026
Corresponding to: 30 Dhu'l-Qi'dah 1447H

UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026
(All amounts in SAR '000 unless otherwise stated)

		31 March	31 December
		2026	2025
	Note	(Unaudited)	(Audited)
ASSETS			
Cash and cash equivalents	5	3,632	23,743
Investments:			
Financial assets at fair value through profit or loss ("FVTPL")	6	250	250
Financial assets at amortised cost	6	127,782	126,598
Financial assets at fair value through other comprehensive income ("FVOCI")	6	72,722	72,722
Prepaid expenses and other assets		60,238	56,380
Insurance contract assets	7	225,280	250,897
Reinsurance contract assets	7	82,360	79,369
Right-of-use assets		5,322	-
Property and equipment		6,794	7,476
Intangible assets		31,836	32,070
Goodwill	8	78,400	78,400
Statutory deposit	9	59,989	59,989
Accrued commission income on statutory deposit	9	1,615	850
TOTAL ASSETS		756,220	788,744
LIABILITIES AND EQUITY			
LIABILITIES			
Insurance contract liabilities	7	635,355	598,442
Reinsurance contract liabilities	7	58,563	121,943
Accrued expenses and other liabilities		28,945	31,119
Lease liabilities		4,861	-
Employees' benefit obligations		9,167	9,995
Accrued income payable to Insurance Authority	9	1,615	850
Provision for zakat and income tax	10	-	1,816
TOTAL LIABILITIES		738,506	764,165
EQUITY			
Share capital		400,000	400,000
Accumulated losses	1	(458,702)	(451,837)
Fair value reserve for investments		70,799	70,799
Re-measurement reserve of employees' benefit obligations		5,617	5,617
TOTAL EQUITY		17,714	24,579
TOTAL LIABILITIES AND EQUITY		756,220	788,744



Acting Chief Financial Officer



Acting Chief Executive Officer



Chairman

The accompanying notes from 1 to 23 form an integral part of this interim condensed financial information.

UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF INCOME
(All amounts in SAR '000 unless otherwise stated)

	Note	<i>Three-month period ended</i>	
		<i>31 March</i>	
		2026	2025
		(Unaudited)	(Unaudited)
Insurance revenue	13	100,685	219,153
Insurance service expenses	13	(89,867)	(191,306)
Net expense from reinsurance contracts	13	(12,131)	(50,332)
Total insurance service result		(1,313)	(22,485)
Net commission income from financial assets not measured at FVTPL		1,184	3,940
Net investment income		1,184	3,940
Net finance costs from insurance contracts issued		(1,479)	(1,857)
Net finance income from reinsurance contracts held		259	674
Net insurance finance costs		(1,220)	(1,183)
Net insurance and investment result		(1,349)	(19,728)
Other income		-	501
Other operating expenses		(5,516)	(8,067)
Loss for the period attributable to the shareholders before zakat and income tax		(6,865)	(27,294)
Zakat and income tax	10	-	3,974
Net loss for the period attributable to the shareholders		(6,865)	(23,320)
Basic and diluted loss per share (expressed in SAR per share)	11	(0.17)	(0.58)



Acting Chief Financial Officer



Acting Chief Executive Officer



Chairman

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UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF OTHER COMPREHENSIVE INCOME
(All amounts in SAR '000 unless otherwise stated)

	<i>Three-month period ended</i>	
	<i>31 March</i>	
	2026	2025
	(Unaudited)	(Unaudited)
Net loss for the period attributable to the shareholders	(6,865)	(23,320)
Other comprehensive income:		
<i>Items that will not be reclassified to the interim condensed statement of income in subsequent periods:</i>		
Net changes in fair value of investment measured at FVOCI – equity instruments	-	2,508
Total other comprehensive income	-	2,508
Total comprehensive loss for the period attributable to the shareholders	(6,865)	(20,812)



Acting Chief Financial Officer



Acting Chief Executive Officer



Chairman

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

	Share capital	Accumulated losses	Fair value reserve for investments	Re-measurement reserve of employees' benefit obligations	Total
Balance at 01 January 2026 (Audited)	400,000	(451,837)	70,799	5,617	24,579
Total comprehensive loss for the period:					
Net loss for the period attributable to the shareholders	-	(6,865)	-	-	(6,865)
Net changes in fair value of investment measured at FVOCI	-	-	-	-	-
Total comprehensive loss for the period attributable to the shareholders	-	(6,865)	-	-	(6,865)
Balance at 31 March 2026 (Unaudited)	400,000	(458,702)	70,799	5,617	17,714

	Share capital	Accumulated losses	Fair value reserve for investments	Re-measurement reserve of employees' benefit obligations	Total
Balance at 01 January 2025 (Audited)	400,000	(195,617)	59,201	4,730	268,314
Total comprehensive loss for the period:					
Net loss for the period attributable to the shareholders	-	(23,320)	-	-	(23,320)
Net changes in fair value of investment measured at FVOCI	-	-	2,508	-	2,508
Total comprehensive (loss) / income for the period attributable to the shareholders	-	(23,320)	2,508	-	(20,812)
Balance at 31 March 2025 (Unaudited)	400,000	(218,937)	61,709	4,730	247,502


Acting Chief Financial Officer


Acting Chief Executive Officer


Chairman

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UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CASH FLOWS
(All amounts in SAR '000 unless otherwise stated)

	Note	<i>Three-month period ended 31 March</i>	
		2026 <u>(Unaudited)</u>	2025 <u>(Unaudited)</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period attributable to the shareholders before zakat and income tax		(6,865)	(27,294)
<u>Adjustments for non-cash items:</u>			
Depreciation of property and equipment		682	2,734
Amortization of intangible assets		2,359	260
Depreciation of right-of-use assets		136	759
Finance costs on lease liabilities		47	24
Commission income from financial assets not measured at FVTPL		(1,184)	(3,940)
		<u>(4,825)</u>	<u>(27,457)</u>
<u>Changes in operating assets and liabilities:</u>			
Prepaid expenses and other assets		(3,858)	1,087
Insurance contract assets		25,617	(48,979)
Reinsurance contract assets		(2,991)	(10,051)
Insurance contract liabilities		36,913	93,844
Reinsurance contract liabilities		(63,380)	(1,959)
Accrued expenses and other liabilities		(2,174)	(6,818)
Cash used in operations		(14,698)	(333)
Zakat and income tax paid	10	(1,816)	-
Employees' benefit obligations paid		(828)	(487)
Net cash used in operating activities		(17,342)	(820)
CASH FLOWS FROM INVESTING ACTIVITIES			
Net proceeds from maturity of term deposits		-	22,095
Commission income received from investment		-	2,537
Payments for purchases of property and equipment		-	(1,576)
Payments for purchases of intangible assets		(2,125)	(489)
Net cash (used in) / generated from investing activities		(2,125)	22,567
CASH FLOWS FROM A FINANCING ACTIVITY			
Repayment of lease liabilities		(644)	(656)
Net cash used in a financing activity		(644)	(656)
Net change in cash and cash equivalents		(20,111)	21,091
Cash and cash equivalents at the beginning of the period	5	23,743	73,030
Cash and cash equivalents at the end of the period	5	3,632	94,121

Refer note 14 for details regarding supplemental schedule of non-cash information.



Acting Chief Financial Officer



Acting Chief Executive Officer



Chairman

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UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in SAR '000 unless otherwise stated)

1. General information – Legal status and principal activities

(a) General information

United Cooperative Assurance Company (“the Company”) is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 4030179955 dated 6 Jamad-al-Thani 1429H, corresponding to 6 June 2008. The registered office address of the Company is:

Al-Narjis District,
Othman Bin Affan Road
Riyadh, Kingdom of Saudi Arabia
Short Address: RAJA7626

The activities of the Company are to transact cooperative insurance and reinsurance operations and related activities in the Kingdom of Saudi Arabia. On 2 Muharram 1430H (31 December 2008), the Company received a license number (NMT/19/200812) from the Saudi Arabia Monetary Authority (“SAMA”) now Insurance Authority (“IA”) which is currently valid up to 29 Dhul Hijja 1448H corresponding to 4 June 2027 to engage in insurance business in Saudi Arabia. The Company was listed on the Saudi Stock Exchange on 23 May 2007. The Company started its operations on 1 January 2009. The Company is fully owned by the general public and Saudi shareholders.

The Board of Directors approves the distribution of the surplus from insurance operations in accordance with the Implementing Regulations, whereby the shareholders of the Company are to receive 90% of the annual surplus from insurance operations and the policyholders are to receive the remaining 10%. Any deficit arising on insurance operations is transferred to the shareholders’ operations in full

(b) Merger agreement

On 23 Dhu al-Hijjah 1446H (corresponding to 19 June 2025), the Company signed a non-binding Memorandum of Understanding (MoU) with Arabia Insurance Cooperative Company (“Arabia”), a company incorporated in the Kingdom of Saudi Arabia, to evaluate a potential merger between Arabia and the Company. The Company has announced on 18 September 2025 (corresponding to 26 Rabiea Al Awwal 1447H) that it has obtained the non-objection of the General Authority for Competition on the completion of the economic concentration resulting from the potential merger. On 4 March 2026, the Company terminated the MOU and all negotiations related to the proposed merger with Arabia, based on the mutual agreement by the parties on 4 March 2026 (Corresponding to 15 Ramadan 1447H).

(c) Suspension of insurance policies

On 27 October 2025, IA issued a directive to suspend the issuance and renewal of compulsory insurance policies (including Domestic workers, Medical, and Motor). On 19 February 2026, IA has issued a decision to suspend the Company from issuing or renewing insurance policies for all motor vehicle insurance products including comprehensive vehicle insurance policies due to non-compliance with certain regulatory requirements primarily related to the Company’s liquidity, and settlement mechanisms for payables to policyholders and others. The IA has requested the Company’s revised business plan, which should include the corrective measures to address the previously identified regulatory non-compliance. Management prepared the requested plan to ensure that all required corrective actions are implemented to the satisfaction of the IA. Completion of these actions is expected to enable the Company to resume the issuance and/or renewal of all suspended insurance policies from the third quarter of 2026.

(d) Geopolitical update

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

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

UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in SAR '000 unless otherwise stated)

1. General information – Legal status and principal activities - (continued)

(e) Material uncertainty related to going concern

The Company has incurred a net loss of SAR 6.87 million for the three-month period ended 31 March 2026, (three-month period ended 31 March 2025: SAR 27.3 million). and as of that date, the Company has accumulated losses of SAR 458.7 million (31 December 2025: accumulated losses of SAR 451.84 million). At the reporting period, the Company's accumulated losses reached 114.67% (31 December 2025: 112.96%) of its share capital, which exceeds the 50% threshold as per Article 3, Part 2 of the CMA guidelines for listed companies. Furthermore, the Company's solvency margin is significantly deteriorating is in negative as of 31 March 2026, which is a non compliance with minimum solvency requirements as mandated by the Insurance Authority (IA). In addition, the Company reported net cash outflows from operating activities of SAR 17.34 million for the three-month period ended 31 March 2026 (three-month period ended 31 March 2025: outflows of SAR 0.82 million), reflecting the impact of change in insurance and reinsurance contract assets and liabilities, and working-capital pressures on liquidity.

During the period ended 31 March 2026, the Company wrote significant gross written premium through the engineering portfolio amounting to SAR 187.2 million (Q1 2025: 0.27 million) mainly from a limited number of large policies, including a major customer. However, this did not result in the level of insurance service result and profitability contemplated in management's forecasts, as the Company reported a net insurance service loss for the period. A significant portion of the related written premium was ceded under reinsurance arrangements

On 11 May 2025, the Company announced on Tadawul that its accumulated losses had reached 54.7% of its share capital. In accordance with Article 132 of the Saudi Companies Law ("the Regulations"), if the losses of a joint-stock company amounted to half of the share capital, the Board of Directors shall, within 60 days from the date of its knowledge thereof, announces the losses and the recommendations relating thereto, and shall, within 180 days from the said date, call for an extraordinary general assembly meeting to consider the continuation of the Company by taking measures necessary to resolve such losses or to dissolve the Company.

The Company is in the process of fulfilling these requirements, and the Extraordinary General Assembly meeting can be held only after obtaining a no-objection certificate (NOC) from the Insurance Authority which is expected to receive during the second quarter of 2026.

Article 68 2(b) of the Implementing Regulations of the Cooperative Insurance Companies Control Law (the "Regulations"), when the solvency margin falls more than 50% of the required margin, the Company shall restore its solvency margin to the required level. If the required solvency margin is not restored to its appropriate level for two consecutive quarters, the Company will be required by the IA to immediately take all or any of the measures, including formulating and providing the Authority with a corrective action plan to be taken, and the period necessary to restore its solvency. The Company received correspondence from IA requiring the Company to submit its rectification measures according to Article 68 of the Regulations.

Further, IA has suspended the Company from issuing or renewing motor insurance policies, including comprehensive motor products, due to non-compliance with certain regulatory requirements, primarily relating to liquidity constraints and delays in settlement of payables to policyholders and other stakeholders (note 1 c).

During the three-month period, the Company engaged an external consultant to prepare a business recovery plan. On 24 March 2026, the Board of Directors approved a business recovery plan covering the periods 2026–2030, outlining key strategic initiatives aimed at addressing accumulated losses and enhancing solvency and liquidity. The plan includes the following key actions:

- capital restructuring by capital reduction to absorb accumulated losses followed by capital injection to meet the minimum capital and solvency requirements;
- utilization of statutory deposit of SAR 60 million from IA.
- obtain financing from financial institution;
- settlement of outstanding claims;
- reinstatement of Domestic workers, Motor and Medical insurance policies;
- improved receivables and liquidity management
- strengthened underwriting discipline focusing on profitable and adequately priced portfolios; and
- cost optimization initiatives.

UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in SAR '000 unless otherwise stated)

1. General information – Legal status and principal activities - (continued)

(e) Material uncertainty related to going concern - (continued)

Subsequent to the reporting period, on 12 April 2026, the approved business recovery plan was submitted to the IA. The Company has responded to the IA's queries and management is awaiting to receive the response from IA.. The Company's ability to continue as a going concern remains dependent on the successful execution of the proposed capital restructuring. Furthermore, subsequent to the reporting date, on 14 April 2026, the Company received NOC from the IA to utilize the statutory deposit amounting to SAR 60 million for the settlement of individual claims, which will be processed in accordance with the mechanism established by the Company. Additionally, the Company will appoint a consulting firm to oversee the claims settlement process and provide the Authority with weekly updates on the progress of claim settlements. This action will contribute to preserving the rights of shareholders, policyholders, and creditors, and to enhance the Company's efforts to maintain the continuity of its operations (note 9). This is expected to support the removal of the suspension on insurance product (refer note 1 c) and assist in restoring regulatory compliance and stakeholder confidence. Additionally, measures have been implemented to address losses in the motor portfolio through revised pricing strategies and portfolio optimization.

The Company's ability to continue as a going concern remains dependent on successful implementation of the business recovery plan, including regulatory approvals, restoration of suspended underwriting activities, successful capital raising and continued reinsurer support, a number of which remain outside management's direct control. In addition, the recovery assumptions remain dependent on the Company being able to generate future underwriting volumes at projected levels. The concentration of business within a single segment portfolio, including reliance on a limited number of significant policies/customers, may also create additional sustainability and concentration risk within the current operating model.

Accordingly, these conditions, including recurring losses, negative operating cash flows, and continued solvency deficit, significantly immediate liquidity constraints, claims settlement pressure, regulatory suspension of key underwriting activities, concentration of written premium in the Engineering portfolio, dependency on reinsurance arrangements, underperformance of the insurance service result compared with management's forecast despite significant gross written premium, and reliance on successful capital raising, regulatory approvals and execution of management's recovery plan, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the interim condensed financial information has been prepared on a going-concern basis, as management expects the combination of the above mentioned corrective measures will enable the Company to meet its obligations as they fall due and continue its operations for at least twelve months from the reporting date. Management continues to monitor all key performance indicators, solvency metrics, liquidity trends, and market conditions, and will update the business plan as necessary to respond to evolving circumstances.

2. Basis of preparation

(a) Statement of compliance

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

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

In preparing the Company's interim condensed financial information in compliance with IAS 34 as endorsed in KSA, the balances and transactions of the insurance operations are amalgamated and combined with those of the shareholders' operations. Inter-operation balances, transactions and unrealized gains and losses, if any, are eliminated in full during amalgamation. The accounting policies adopted for the insurance operations and shareholders' operations are uniform for like transactions and events in similar circumstances.

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

(b) Basis of measurement

The interim condensed financial information is prepared under the going concern basis and the historical cost convention, except for the measurement of investments at their fair value through profit or loss and fair value through other comprehensive income and defined benefits obligations, which are recognised at the present value of future obligation using Projected Unit Credit Method.

UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

(All amounts in SAR '000 unless otherwise stated)

2. Basis of preparation - (continued)

(c) Basis of presentation

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

(d) Functional and presentation currency

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

(e) Seasonality of operations

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

(f) Changes in products and services

During the three-month period ended 31 March 2026, there were no significant changes in products or services and their terms of the insurance contracts offered by the Company other than noted in note 1(c).

UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in SAR '000 unless otherwise stated)

3. Material accounting policies information

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

3.1 New and amended standards adopted by the Company

Certain amendments to existing standards became applicable for the current reporting period i.e. for reporting periods beginning on or after 1 January 2026. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments which are described below:

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

Impact assessment

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

UNITED COOPERATIVE ASSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(All amounts in SAR '000 unless otherwise stated)

3. Material accounting policies information - (continued)

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

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

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

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4. Critical accounting judgments, estimates and assumptions

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

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

5. Cash and cash equivalents

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Cash at bank - current account	3,648	23,759
Less: Expected credit loss	(16)	(16)
	3,632	23,743

Cash at banks is placed with counterparties having sound credit ratings.

6. Investments

Investments are classified as follows:

	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Financial assets at fair value through profit or loss ("FVTPL")	6.1	250	250
Financial assets at amortised cost	6.2	127,782	126,598
Financial assets at fair value through other comprehensive income ("FVOCI")	6.3	72,722	72,722
		200,754	199,570

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

Movement in investment in discretionary portfolio is as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at beginning of the period / year	250	250
Balance at end of the period / year	250	250

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

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6.2 Financial assets at amortised cost

	31 March	31 December	
Note	2026	2025	
	(Unaudited)	(Audited)	
Saudi Government Sukuk	6.2.1	127,782	126,598

6.2.1 This represents the Company's investment in Saudi Government Sukuks. This represents diversified portfolio across various Sukuks instruments yielding an average return of 4.64% with various maturity durations. The Company has earned commission income of SAR 1.18 million during the period (31 March 2025: SAR 1.8 million).

The gross carrying amount of financial assets measured at amortised cost represents the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1. Investment grade includes those financial assets having credit exposure equivalent to Standard and Poor's rating of AAA to BBB, whereas non-investment grade represents un-rated exposures. The Company's exposures to credit risk are not collateralized.

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

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

The above represents the Company's 3.45% (31 December 2025: 3.45%) holding in Najm for Insurance Services Company, a Saudi Closed Joint Stock Company. These shares are un-quoted and are carried at fair value.

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7. Insurance and reinsurance contracts

7.1 Composition of the statement of financial position

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

	Medical	Motor- Comprehensive	Motor- TPL	Energy	Engineering	Others	Total
31 March 2026 – (Unaudited)							
<u>Insurance contracts</u>							
Insurance contract assets	11,821	28,407	128,326	13,632	21,781	21,313	225,280
Insurance contract liabilities	(81,209)	(42,925)	(358,275)	(13,632)	(119,929)	(19,385)	(635,355)
	(69,388)	(14,518)	(229,949)	-	(98,148)	1,928	(410,075)
<u>Reinsurance contracts</u>							
Reinsurance contract assets	4,886	1,281	4,207	28	55,582	16,376	82,360
Reinsurance contract liabilities	(1,299)	(7,255)	(8,961)	(24)	(26,747)	(14,277)	(58,563)
	3,587	(5,974)	(4,754)	4	28,835	2,099	23,797
31 December 2025 – (Audited)							
<u>Insurance contracts</u>							
Insurance contract assets	14,283	26,130	139,983	16,642	30,394	23,465	250,897
Insurance contract liabilities	(81,428)	(23,736)	(395,887)	(15,690)	(67,008)	(14,693)	(598,442)
	(67,145)	2,394	(255,904)	952	(36,614)	8,772	(347,545)
<u>Reinsurance contracts</u>							
Reinsurance contract assets	5,846	1,783	3,850	74	45,379	22,437	79,369
Reinsurance contract liabilities	(2,235)	(6,867)	(8,982)	(70)	(82,244)	(21,545)	(121,943)
	3,611	(5,084)	(5,132)	4	(36,865)	892	(42,574)

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7. **Insurance and reinsurance contracts – (continued)**

7.2 **Analysis by remaining coverage and incurred claims**

7.2.1 **Insurance contracts**

	As at 31 March 2026 – (Unaudited)				Total
	Liability for remaining coverage		Liability for incurred claims		
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
<u>Insurance contracts</u>					
Insurance contract liabilities – opening	166,846	24,872	402,980	3,744	598,442
Insurance contract assets – opening	(230,080)	(148)	(20,669)	-	(250,897)
Opening balance – net	(63,234)	24,724	382,311	3,744	347,545
Insurance revenue	(100,685)	-	-	-	(100,685)
<u>Insurance service expenses</u>					
Incurred claims and other incurred insurance service expenses / (income)	-	-	95,896	(410)	95,486
Reversal on onerous contracts	-	(14,932)	-	-	(14,932)
Changes that relate to past service	-	-	(8,672)	-	(8,672)
Insurance acquisition cashflows amortization	17,985	-	-	-	17,985
Insurance service expenses / (income)	17,985	(14,932)	87,224	(410)	89,867
Finance cost from insurance contracts	-	-	1,479	-	1,479
Total changes in the statement of income	(82,700)	(14,932)	88,703	(410)	(9,339)
<u>Cashflows</u>					
Premiums received	116,417	-	-	-	116,417
Claims and other incurred insurance service expenses paid	-	-	(22,447)	-	(22,447)
Insurance acquisition cashflows paid	(22,101)	-	-	-	(22,101)
Total cash inflows / (outflows)	94,316	-	(22,447)	-	71,869
<u>Insurance contracts</u>					
Insurance contract liabilities – closing	156,374	9,793	465,854	3,334	635,355
Insurance contract assets – closing	(207,992)	-	(17,288)	-	(225,280)
Closing balance – net	(51,618)	9,793	448,566	3,334	410,075

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7. Insurance and reinsurance contracts – (continued)

7.2 Analysis by remaining coverage and incurred claims – (continued)

7.2.1 Insurance contracts – (continued)

	As at 31 December 2025 (Audited)				
	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	
Insurance contracts					
Insurance contract liabilities – opening	179,983	48,551	253,564	5,275	487,373
Insurance contract assets – opening	(160,240)	(18,435)	(51,161)	-	(229,836)
Opening balance – net	19,743	30,116	202,403	5,275	257,537
Insurance revenue	(858,313)	-	-	-	(858,313)
Insurance service expenses					
Incurred claims and other incurred insurance service expenses / (income)	-	-	779,246	(1,531)	777,715
Reversal of onerous contracts	-	(5,392)	-	-	(5,392)
Changes that relate to past service	-	-	(30,021)	-	(30,021)
Insurance acquisition cashflows amortisation	143,720	-	-	-	143,720
Insurance service expenses / (income)	143,720	(5,392)	749,225	(1,531)	886,022
Finance cost from insurance contracts	-	-	3,515	-	3,515
Total changes in the statement of income	(714,593)	(5,392)	752,740	(1,531)	31,224
Cashflows					
Premiums received	762,703	-	-	-	762,703
Claims and other incurred insurance service expenses paid	-	-	(572,828)	-	(572,828)
Insurance acquisition cashflows paid	(131,091)	-	-	-	(131,091)
Total cash inflows / (outflows)	631,612	-	(572,828)	-	58,784
Insurance contracts					
Insurance contract liabilities – closing	166,846	24,872	402,980	3,744	598,442
Insurance contract assets – closing	(230,080)	(148)	(20,669)	-	(250,897)
Closing balance – net	(63,234)	24,724	382,311	3,744	347,545

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7 Insurance and reinsurance contracts – (continued)

7.2 Analysis by remaining coverage and incurred claims – (continued)

7.2.2 Reinsurance contracts held

	As at 31 March 2026 – (Unaudited)				Total
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
<u>Reinsurance contracts</u>					
Reinsurance contract assets – opening	(38,121)	-	(39,284)	(1,964)	(79,369)
Reinsurance contract liabilities – opening	108,415	-	12,521	1,007	121,943
Opening balance – net	70,294	-	(26,763)	(957)	42,574
Allocation of reinsurance premium	14,335	-	-	-	14,335
<u>Amounts recoverable from reinsurers</u>					
Claims recovered and other directly attributable expenses	-	-	-	(82)	(82)
Changes that relate to past service	-	-	(2,122)	-	(2,122)
Amounts recoverable from reinsurers – net	-	-	(2,122)	(82)	(2,204)
Finance income from reinsurance contracts	-	-	259	-	259
Total changes in the statement of income	14,335	-	(1,863)	(82)	12,390
<u>Cashflows</u>					
Premiums ceded and acquisition cashflows paid	(116,485)	-	-	-	(116,485)
Recoveries from reinsurance	37,737	-	(13)	-	37,724
Total cash outflows	(78,748)	-	(13)	-	(78,761)
<u>Reinsurance contracts</u>					
Reinsurance contract assets – closing	(41,968)	-	(38,352)	(2,040)	(82,360)
Reinsurance contract liabilities – closing	47,849	-	9,713	1,001	58,563
Closing balance – net	5,881	-	(28,639)	(1,039)	(23,797)

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7 Insurance and reinsurance contracts – (continued)

7.2 Analysis by remaining coverage and incurred claims – (continued)

7.2.2 Reinsurance contracts held – (continued)

	As at 31 December 2025 (Audited)				Total
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts					
Reinsurance contract assets – opening	(7,915)	(415)	(68,695)	(3,583)	(80,608)
Reinsurance contract liabilities – opening	70,949	-	28,647	1,009	100,605
Opening balance – net	63,034	(415)	(40,048)	(2,574)	19,997
Allocation of reinsurance premium	214,661	-	-	-	214,661
Amounts recoverable from reinsurers					
Claims recovered and other directly attributable expenses	-	-	(50,325)	1,617	(48,708)
Loss-recovery on onerous underlying contracts	-	415	-	-	415
Changes that relate to past service	-	-	31,939	-	31,939
Amounts recoverable from reinsurers – net	-	415	(18,386)	1,617	(16,354)
Finance income from reinsurance contracts	-	-	(1,529)	-	(1,529)
Total changes in the statement of income	214,661	415	(19,915)	1,617	196,778
Cashflows					
Premiums ceded and acquisition cash flows paid	(233,651)	-	-	-	(233,651)
Recoveries from reinsurance	26,250	-	33,200	-	59,450
Total cash (outflows) / inflows	(207,401)	-	33,200	-	(174,201)
Reinsurance contracts					
Reinsurance contract assets – closing	(38,121)	-	(39,284)	(1,964)	(79,369)
Reinsurance contract liabilities – closing	108,415	-	12,521	1,007	121,943
Closing balance – net	70,294	-	(26,763)	(957)	42,574

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8. Goodwill

Effective on 31 December 2008, the Company acquired the insurance operations of UCA Insurance Bahrain B.S.C. ('the seller') in the Kingdom of Saudi Arabia for a total consideration of SAR 656.95 million with a goodwill of SAR 78.4 million. The goodwill amount payable to the seller was paid in full subsequent to 2008, after obtaining SAMA approvals.

On 31 December 2025, an independent impairment study was conducted in accordance with the requirements of the International Accounting Standard (IAS 36) to review the carrying amounts of goodwill recognised. For the impairment testing, assets are grouped into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Management considers the overall insurance portfolios of the Company as one CGU. The management reviews goodwill annually for impairment testing.

Management performed an impairment assessment of goodwill on 31 December 2025 in accordance with IAS 36 Impairment of assets by determining the recoverable amount of the relevant cash-generating unit (CGU). The recoverable amount was assessed using the fair value less costs of disposal (FVLCD) approach, based on Level 1 market inputs, specifically the quoted share price and outstanding shares of the Company using market capitalisation approach.

Based on the above assessments, management concluded that recoverable amount is higher than carrying amount therefore no impairment of goodwill is required as at the reporting date.

9. Statutory deposit

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Statutory deposit	60,000	60,000
Less: Expected credit loss	(11)	(11)
Balance at the end of the period / year	59,989	59,989

In compliance with Article 58 of the Implementing Regulations of Insurance Authority (IA), the Company has deposited 15% of its share capital amounting to SAR 60 million as of 31 March 2026 (31 December 2025: SAR 60 million) in a bank designated by SAMA now IA. The Company cannot withdraw this deposit without IA approval. Commission accruing on this deposit is payable to IA. In accordance with instructions received from IA vide their circular dated 1 March 2016, the Company has disclosed the commission due on the statutory deposit as an asset and a liability in the interim condensed financial information. On 14 April 2026, The Company had received a no objection from the Insurance Authority to utilize the statutory deposit held in favor of the Authority, amounting to SAR 60 million. However, this amount yet to be received.

Accrued income on this deposit is payable to Insurance Authority (IA) amounting to SAR 1.6 million (31 December 2025: SAR 0.85 million) and this deposit cannot be withdrawn without approval from IA.

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10. Zakat and income tax

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

The differences between the financial and the zakatable / taxable results are mainly due to certain adjustments in accordance with the relevant fiscal regulations

a. Movements in provision during the period / year

	Zakat payable	Income tax payable	Total 31 March 2026 (Unaudited)
Balance at beginning of the period	516	1,300	1,816
Provision during the period	1,300	-	1,300
Reversal during the period	-	(1,300)	(1,300)
Payments during the period	(1,816)	-	(1,816)
Balance at end of the period	-	-	-

	Zakat payable	Income tax payable	Total 31 December 2025 (Audited)
Balance at beginning of the year	12,629	1,300	13,929
Reversal during the year	(3,004)	-	(3,004)
Payments during the year	(9,109)	-	(9,109)
Balance at end of the year	516	1,300	1,816

Zakat is payable at 2.578% of the approximate zakat base (excluding adjusted net profit for the period / year) and 2.5% of adjusted net profit for the year attributable to Saudi shareholders.

b. Status of zakat assessments

The Company submitted the zakat declaration for the year ended 31 December 2025 and obtained the necessary zakat certificate.

The zakat is applicable on 100% (2025: 100%) of the shareholders while income tax applicable on nil (2025: nil) of the shareholders. The Company has filed its zakat and income tax declarations for the periods ended 31 December 2009 to 2024 and obtained restricted zakat and tax certificates. The following are the detailed outstanding assessments as of the date of the financial information:

Assessment years 2009 – 2011

The Company has filed its Zakat/tax returns for the years ended 31 December 2009 to 2011 and obtained the necessary Zakat/tax certificates.

ZATCA has issued the amended assessment based on the decision of the Preliminary Objection Committee and claimed additional Zakat and tax and withholding tax for a total of SAR 27 million. Accordingly, the Zakat, tax and withholding tax status for the said years are considered finalized as per our zakat consultant. The company has settled the said liability.

Assessment years 2012 and 2013

The Company has filed its Zakat/tax returns for the years ended 31 December 2012 and 2013 and obtained the necessary zakat/tax certificates.

ZATCA issued an assessment for the fiscal years 2012 and 2013, claiming additional Zakat, tax, and withholding tax liabilities amounting to SAR 15.8 million. The Company actively pursued a final settlement with the Dispute Resolution Committee (DRC), which has accepted the Company's offer to settle the liability at SAR 10.9 million. The company has settled the said liability.

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10. Zakat and income tax – (continued)

b. Status of zakat assessments

Assessment years 2014 to 2020

The Company has filed its zakat/tax returns for the years ended 31 December 2014 to 2020 and obtained the necessary zakat/tax certificates.

ZATCA finalized reviewing the zakat and tax returns for the said year's and they are considered finalized as per our zakat consultant.

Assessment years 2021 and 2022

The Company has filed the zakat and Tax returns up to the years 2021 and 2022 and obtained the necessary certificates.

ZATCA has issued an assessment for the fiscal years 2021 and 2022 which shows a total credit balance of SAR 0.39 million for both years resulting from the deduction of Governmental Sukuk.

The Company agreed with ZATCA, and the case is considered finalized as per our zakat consultant.

Assessment year 2023

The Company has filed its zakat return for the years ended 31 December 2023 and obtained the necessary zakat/tax certificates.

ZATCA is in the process of reviewing the zakat return for the said year.

Assessment year 2024

The Company has filed its zakat return for the years ended 31 December 2024 and obtained the necessary zakat/tax certificates.

ZATCA is in the process of reviewing the Zakat return for the said year.

c. VAT assessment

Assessment year 2018 and 2019

The fines imposed on the assessments amounting to SR 20.25 million for the years 2018 and 2019 were subsequently canceled as the Company has taken advantage of ZATCA's initiative to stabilize the economy and boost the private sector.

The Company has booked a provision against VAT on zero rated supplies. On other objected items, the Company is confident that these will be recovered through input claim in the VAT return and from reinsurer.

Assessment year 2020

ZATCA issued the final VAT assessments, demanding payment of an additional VAT amount of SAR 3.13M. UCA appealed SAR 2.8M out of this amount, pertaining to Reinsurance Commission Income earned from non-resident reinsurers. The cases were decided in favor of ZATCA at GSZTCC Higher Court level.

Assessment year 2021 and 2022

ZATCA issued the final VAT assessments for both years, demanding payment of an additional VAT amount of SAR 12.5M. UCA appealed against SAR 11.5M out of this amount, pertaining to Reinsurance Commission Income earned from non-resident reinsurers and Output VAT on bad debts. The cases are currently at GSZTCC Higher Court level. The Higher Court Committee conducted an internal hearing on 21 April 2026, but the final decisions have yet to be issued.

Assessment year 2023

The tax periods falling under FY23 are still under audit by ZATCA, and the final assessments have yet to be issued.

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11. Basic and diluted loss per share

Basic and diluted loss per share for the three-month period ended 31 March 2026 and 2025 have been calculated by dividing the net loss for the respective period attributable to the shareholders by the weighted average number of outstanding shares at the reporting date.

There are no potential ordinary shares in issue at the reporting date therefore, basic and diluted loss per share is same, the calculation of basic and diluted loss per share is as follows:

	For the three-month period ended 31 March	
	2026	2025
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares	40,000	40,000
Net loss for the period attributable to the shareholders	(6,865)	(23,320)
Basic and diluted loss per share	(0.17)	(0.58)

12. Commitments and contingencies

	31 March 2026	31 December 2025
	(Unaudited)	(Audited)
Letters of guarantee issued in favour of non-government customers	400	400
	400	400

- a) The Company has capital commitments outstanding as at 31 March 2026 amounting to SAR 3.1 million (31 December 2025: SAR 5.5 million) in respect of software development project.
- b) As at 31 March 2026, the Company's bankers have given guarantees to non-government customers amounting to SAR 0.4 million (31 December 2025: SAR 0.4 million) in respect of motor insurance.
- c) Refer note 10 for contingencies pertaining to zakat and income tax assessments.
- d) The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business primarily pertaining to insurance claims. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management believes that such proceedings (including litigations) will not have a material effect on its results and financial position. Further, there was no material change in the status of legal proceedings during the current period from the status disclosed as at 31 December 2025. Refer to Note 10 for zakat related matters.

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13. Insurance service result

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

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

	Medical	Motor- Comprehensive	Motor-TPL	Energy	Engineering	Others	Total
Insurance revenue from contracts measured under PAA	1,202	12,351	68,765	-	15,043	3,324	100,685
Insurance revenue – total	1,202	12,351	68,765	-	15,043	3,324	100,685
Incurred claims and other incurred insurance service expenses	(3,340)	(26,711)	(64,473)	-	384	(1,346)	(95,486)
Reversal of losses on onerous contracts	83	797	14,052	-	-	-	14,932
Changes that relate to past service	1,997	4,542	4,553	-	(2,817)	397	8,672
Insurance acquisition cash flows amortization	(846)	(4,261)	(7,238)	-	(1,806)	(3,834)	(17,985)
Insurance service expenses – total	(2,106)	(25,633)	(53,106)	-	(4,239)	(4,783)	(89,867)
Allocation of reinsurance premium paid – contracts measured under the PAA	(5)	-	(685)	-	(12,192)	(1,453)	(14,335)
<u>Amounts recoverable from reinsurers</u>							
Claims recovered and other directly attributable expenses	(16)	1	4	-	264	(171)	82
Changes to amounts recoverable for incurred claims	(237)	18	272	-	2,093	(24)	2,122
Amounts recoverable from reinsurers – net	(253)	19	276	-	2,357	(195)	2,204
Net (expenses) / income from reinsurance contracts	(258)	19	(409)	-	(9,835)	(1,648)	(12,131)
Total insurance service result	(1,162)	(13,263)	15,250	-	969	(3,107)	(1,313)

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13. Insurance service result – (continued)

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

	Medical	Motor- Comprehensive	Motor-TPL	Energy	Engineering	Others	Total
Insurance revenue from contracts measured under PAA	13,875	20,277	131,471	10,298	37,482	5,750	219,153
Insurance revenue – total	13,875	20,277	131,471	10,298	37,482	5,750	219,153
Incurred claims and other incurred insurance service expenses	(26,511)	(27,574)	(123,279)	31	(169)	(3,965)	(181,467)
Reversal of losses / (losses) on onerous contracts	964	1,319	(8,218)	-	-	-	(5,935)
Changes that relate to past service	15,392	(128)	1,168	1,428	495	2,755	21,110
Insurance acquisition cash flows amortization	(2,423)	(5,987)	(10,109)	(97)	(4,426)	(1,972)	(25,014)
Insurance service (expenses) / income – total	(12,578)	(32,370)	(140,438)	1,362	(4,100)	(3,182)	(191,306)
Allocation of reinsurance premium paid – contracts measured under the PAA	(3,327)	(254)	(973)	(10,121)	(31,530)	(4,624)	(50,829)
<u>Amounts recoverable from reinsurers</u>							
Claims recovered and other directly attributable expenses	3,082	56	124	(96)	66	3,415	6,647
Changes to amounts recoverable for incurred claims	(1,801)	156	(184)	(1,324)	(466)	(2,531)	(6,150)
Amounts recoverable from reinsurers – net	1,281	212	(60)	(1,420)	(400)	884	497
Net expenses from reinsurance contracts	(2,046)	(42)	(1,033)	(11,541)	(31,930)	(3,740)	(50,332)
Total insurance service result	(749)	(12,135)	(10,000)	119	1,452	(1,172)	(22,485)

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14. Supplemental schedule of non-cash information

	Note	For the three-month period ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
Net changes in fair value of investment measured at FVOCI	6	-	2,508

15. Related party transactions and balances

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

Nature of transactions	Amount of transactions three-month period ended 31 March		
	2026 (Unaudited)	2025 (Unaudited)	
Major shareholders			
Saudi Bin Laden – Group	Premium written	187,212	2,734
	Net Payments received and claims paid	(96,255)	(105,063)
Construction Product Co.	Premium written	10	107
	Net Payments received and claims paid	(5)	-
Haji Hussien Ali Reza	Premium written	-	3,406
	Net Payments received and claims paid	(85)	(4,858)

Related party balances

	Balance receivable as at	
	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Premium receivable		
Saudi Bin Laden – Group	155,631	64,674
Construction Product Company	8,021	8,016
Haji Hussein Ali Reza	603	688
	164,255	73,378
Other balances		
UCA Bahrain	22,048	22,048

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly and comprise top management executives including the Chief Executive Officer and the Chief Financial Officer of the Company. The transactions with related parties are carried out at commercial terms and conditions. Compensation to key management personnel is based on employment terms and as per the by-laws of the Company.

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Salaries and other allowances	1,126	1,772
End of service indemnities	557	117
	1,683	1,889
Remuneration to those charged with governance	892	995

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16. Fair value of financial instruments

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

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

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

a) Determination of fair value and fair value hierarchy

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

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

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

Level 3: valuation techniques for which any significant input is not based on observable market data. The Company ascertains the Level 3 fair values based on a valuation technique which is primarily derived by net assets value of the respective investee at the period end.

b) Carrying amounts and fair value

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

<u>31 March 2026 – (Unaudited)</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets measured at fair value through other comprehensive income (FVOCI)				
Equity	-	-	72,722	72,722
Financial assets measured at fair value through profit or loss (FVTPL)				
Discretionary portfolio	250	-	-	250
	<u>250</u>	<u>-</u>	<u>72,722</u>	<u>72,972</u>
<u>31 December 2025 – (Audited)</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investment measured at fair value through other comprehensive income (FVOCI)				
Equity	-	-	72,722	72,722
Investment measured at fair value through profit or loss (FVTPL)				
Discretionary portfolio	250	-	-	250
	<u>250</u>	<u>-</u>	<u>72,722</u>	<u>72,972</u>

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16. Fair values of financial instruments – (continued)

b) Carrying amounts and fair value – (continued)

Specific valuation techniques used by management's independent experts to value financial instruments in Level 3 pertaining to investment in Najm, are as follows:

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

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

Cash and cash equivalents, statutory deposit, accrued commission income on statutory deposits, sukuks and the financial liabilities except employees' benefit obligations are measured at amortized cost.

There were no transfers between levels 1 and 2 for recurring fair value measurements for the period ended 31 March 2026 and year ended 31 December 2025. Additionally, there were no changes in the valuation techniques. Furthermore, there were no transfers into and out of level 3 measurements.

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16. Fair values of financial instruments – (continued)

c) Reconciliation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy

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

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

	Fair value		Unobservable inputs		Range of inputs		Relationship of Unobservable input to Fair value
	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2026 (Unaudited)	31 December 2025 (Audited)	
Unquoted equity investment in Najm	72,722	72,722	Revenue growth factor	Revenue growth factor	8.74%	8.74%	Reducing the revenue growth rate by 100 basis points, would decrease the fair value by SAR 1.14 million. (2025: SAR 1.14 million)
			WACC	WACC	17.00%	17.00%	Increasing the WACC by 100 basis points, would decrease the fair value by SAR 1.8 million. (2025: SAR 1.86 million)
			Terminal value growth rate	Terminal value growth rate	1.5%	1.5%	Reducing the terminal value growth rate to 0.5%, would decrease the fair value by SAR 1.06 million. (2025: SAR 1.06 million)
			EV/EBITDA multiple	EV/EBITDA multiple	7	7	Reducing the EV/EBITDA multiple to 6.0, would decrease the fair value by SAR 2.76 million (2025: Reducing the EV/EBITDA multiple to 6.0, would decrease the fair value by SAR 2.76 million).

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

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16. Fair values of financial instruments – (continued)

e) Valuation process

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

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

17. Risk management

Risk governance

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

Risk management structure:

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

Board of directors:

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

Audit committee and internal audit department:

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

Senior management:

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

Risk management committee:

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

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

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

18. Capital management

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

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

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18. Capital management – (continued)

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

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

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

The equity as at 31 March 2026 consists of paid-up share capital of SAR 400 million, accumulated losses of SAR 458.7 million, fair value revaluation reserve of SAR 70.8 million and remeasurement reserve of employees' benefit obligations of 5.62 million (31 December 2025: paid-up share capital of SAR 400 million, accumulated losses of SAR 451.84 million, fair value revaluation reserve of SAR 70.8 million and remeasurement reserve of employees' benefit obligations of 5.62 million), in the statement of financial position.

As of 31 March 2026, the solvency margin calculated in accordance with Article 66 of the Implementing Regulations of the Cooperative Insurance Companies Control Law shows a significant deterioration, resulting in a negative position. This indicates that the Company has not complied with the regulatory requirement to maintain the minimum solvency margin prescribed under the said Article.

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

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

19. 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. Segment performance is evaluated based on profit or loss which, in certain respects, is measured differently from profit or loss in the financial statements. The Company has the following reportable segments.

- Medical - coverage for health insurance.
- Motor - coverage for motor insurance and for Manafeth third party liability insurance for foreign vehicles.
- Energy - coverage for energy insurance.
- Engineering - coverage for engineering insurance.
- Others - coverage for property, marine, aviation, third party liability and general accidents insurance.

The Chief Executive Officer of the Company monitor the results of the Company's operations and have been identified as the Chief Operating Decision Maker (CODM). The net results of the Company are reported to the Board of Directors, for the Company as a whole. Furthermore, the Company operates in one geographical area i.e. Kingdom of Saudi Arabia.

Accordingly, segmental analysis of the statement of income and other comprehensive income and statement of financial position is not carried out as the CODM considers the Company to be a single operating segment based on the nature of its operations and products. However, the Company has disclosed its insurance related balances/results by product lines, which are determined based on the disaggregation principles of IFRS 17. These include insurance contract liabilities/assets, reinsurance contract assets/liabilities, insurance service results and insurance finance income/expenses are as follows:

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19. Operating segments – (continued)

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

	Medical	Motor	Energy	Engineering	Others	Total
Insurance revenue	1,202	81,116	-	15,043	3,324	100,685
Insurance service expenses	(2,106)	(78,739)	-	(4,239)	(4,783)	(89,867)
Net expenses from reinsurance contracts	(258)	(390)	-	(9,835)	(1,648)	(12,131)
Total insurance service result	(1,162)	1,987	-	969	(3,107)	(1,313)
Net commission income from financial assets not measured at FVTPL						1,184
Net investment income						1,184
Net finance cost from insurance contracts issued	(545)	(511)	-	(95)	(328)	(1,479)
Net finance income from reinsurance contracts held	22	4	-	78	155	259
Net insurance finance cost	(523)	(507)	-	(17)	(173)	(1,220)
Net insurance and investment result						(1,349)
Other income						-
Other operating expenses						(5,516)
Loss for the period attributable to the shareholders before zakat and income tax						(6,865)
Zakat and income tax						-
Net loss for the period attributable to the shareholders						(6,865)

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19. Operating segments – (continued)

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

	Medical	Motor	Energy	Engineering	Others	Total
Insurance revenue	13,875	151,748	10,298	37,482	5,750	219,153
Insurance service expenses	(12,578)	(172,808)	1,362	(4,100)	(3,182)	(191,306)
Net expense from reinsurance contracts	(2,046)	(1,075)	(11,541)	(31,930)	(3,740)	(50,332)
Total insurance service result	(749)	(22,135)	119	1,452	(1,172)	(22,485)
Net commission income from financial assets not measured at FVTPL						3,940
Net investment income						3,940
Net finance cost from insurance contracts issued	(624)	(515)	(57)	(124)	(537)	(1,857)
Net finance income from reinsurance contracts held	39	90	53	102	390	674
Net insurance finance cost	(585)	(425)	(4)	(22)	(147)	(1,183)
Net insurance and investment result						(19,728)
Other income						501
Other operating expenses						(8,067)
Loss for the period attributable to the shareholders before zakat and income tax						(27,294)
Zakat and income tax						3,974
Net loss for the period attributable to the shareholders						(23,320)

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19. Operating segments – (continued)

As at 31 March 2026 – (Unaudited)

	Medical	Motor	Energy	Engineering	Others	Total
<u>Assets</u>						
Insurance contract assets	11,821	156,733	13,632	21,781	21,313	225,280
Reinsurance contract assets	4,886	5,488	28	55,582	16,376	82,360
Unallocated assets						448,580
Total assets						756,220
<u>Liabilities</u>						
Insurance contract liabilities	81,209	401,200	13,632	119,929	19,385	635,355
Reinsurance contract liabilities	1,299	16,216	24	26,747	14,277	58,563
Unallocated liabilities						44,588
Total liabilities						738,506

As at 31 December 2025 (Audited)

	Medical	Motor	Energy	Engineering	Others	Total
<u>Assets</u>						
Insurance contract assets	14,283	166,113	16,642	30,394	23,465	250,897
Reinsurance contract assets	5,846	5,633	74	45,379	22,437	79,369
Unallocated assets						458,478
Total assets						788,744
<u>Liabilities</u>						
Insurance contract liabilities	81,428	419,623	15,690	67,008	14,693	598,442
Reinsurance contract liabilities	2,235	15,849	70	82,244	21,545	121,943
Unallocated liabilities						43,780
Total liabilities						764,165

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20. Gross written premiums (GWP)

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

Breakdown of GWP	For the three-month period ended 31 March 2026			
	(Unaudited)			
	Medical	Motor	Others	Total
Retail	-	1,858	661	2,519
Small	(47)	15	124	92
Medium	(156)	-	335	179
Corporate	-	166	194,490	194,656
Total	(203)	2,039	195,610	197,446

Breakdown of GWP	For the three-month period ended 31 March 2025			
	(Unaudited)			
	Medical	Motor	Others	Total
Retail	-	146,434	147	146,581
Very small	540	1,072	1,325	2,937
Small	626	687	378	1,691
Medium	1,521	327	1,027	2,875
Corporate	131	61,449	15,113	76,693
Total	2,818	209,969	17,990	230,777

21. Net written premiums

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

Items	For the three-month period ended 31 March 2026			
	(Unaudited)			
	Medical	Motor	Others	Total
Gross written premiums	(203)	2,039	195,610	197,446
Reinsurance premium ceded – globally (including excess of loss)	-	(366)	(146,619)	(146,985)
Reinsurance premium ceded – locally (including excess of loss)	(6)	(447)	(47,392)	(47,845)
Net written premiums	(209)	1,226	1,599	2,616

Items	For the three-month period ended 31 March 2025			
	(Unaudited)			
	Medical	Motor	Others	Total
Gross written premiums	2,818	209,969	17,990	230,777
Reinsurance premium ceded – globally (including excess of loss)	(2,354)	(687)	(15,705)	(18,746)
Reinsurance premium ceded – locally (including excess of loss)	(841)	(687)	(2,142)	(3,670)
Net written premiums	(377)	208,595	143	208,361

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22. Subsequent events

Subsequent to the period end, On 14 April 2026, The Company had received a No Objection Letter from the IA to utilize the statutory deposit amounting to SAR 60 million for the settlement of individual claims, which will be processed based on seniority and in accordance with the mechanism established by the Company. Additionally, the Company will appoint a consulting firm to oversee the claims settlement process and provide the Authority with weekly updates on the progress of claim settlements. This action will contribute to preserving the rights of shareholders, policyholders, and creditors, and to enhance the Company's efforts to maintain the continuity of its operations note 1e.

In this interim condensed financial information, except as disclosed in note 1 (e), there are no other subsequent events that occurred between 31 March 2026 and the date of approval of this interim condensed financial information, which may have material impact on this interim condensed financial information.

23. Approval of the interim condensed financial information

The interim condensed financial information has been approved by the Board of Directors on 10 May 2026, corresponding to 23 Dhu'l-Qi'dah1447H.