AL-ETIHAD COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED
JUNE 30, 2026 (UNAUDITED)
WITH INDEPENDENT AUDITORS' REVIEW REPORT

AL-ETIHAD COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026

PKF Al-Bassam
Chartered Accountants

Crowe
Crowe Solutions for Professional Consulting
Member Crowe Global

INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL INFORMATION

TO THE SHAREHOLDERS OF AL-ETIHAD COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)

INTRODUCTION

We have reviewed the accompanying interim condensed statement of financial position of Al-Etihad Cooperative Insurance Company (the "Company") as of June 30, 2026 and the related interim condensed statements of income and comprehensive income for the three-month and six-month periods then ended and the related interim condensed statements of changes in equity and cash flows for the six-month period ended June 30, 2026 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

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

CONCLUSION

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2(c) to the accompanying interim condensed financial statements which states that the Company has incurred a net loss attributable to the shareholders of ⃁ 92.2 million during the six-month period ended June 30, 2026 (six-month period ended June 30, 2025: ⃁ 75.6 million). The Company's net cash used in operating activities for the period then ended amounted to ⃁ 92.8 million (2025: ⃁ 124.8 million). Further, as at June 30, 2026, the Company had accumulated loss of ⃁ 212.9 million (as at December 31, 2025: ⃁ 162.1 million) and the Company's solvency margin has declined below the minimum solvency requirements as mandated by the Insurance Authority. These events and conditions, together with other matters set out therein, 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 modified in respect of this matter.

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AL-ETIHAD COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026
(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS			
Cash and cash equivalents	5	**130,331**	94,988
Term deposits	6	**207,429**	308,909
Investments:			
Financial assets at fair value	7	**206,903**	232,783
Financial assets at amortized cost	7	**337,613**	339,833
Prepaid expenses and other assets		**27,650**	57,186
Insurance contract assets	11	**3,171**	407
Reinsurance contract assets	11	**56,825**	90,977
Right-of-use assets		**14,015**	4,530
Property and equipment		**4,063**	4,911
Intangible assets		**9,508**	11,583
Accrued income on statutory deposit		**1,862**	586
Goodwill		**4,497**	4,497
Statutory deposit	8	**50,000**	50,000
TOTAL ASSETS		**1,053,867**	1,201,190
LIABILITIES			
Accrued and other liabilities		**19,023**	13,313
Insurance contract liabilities	11	**621,002**	701,974
Reinsurance contract liabilities	11	**4,815**	97
Employee benefit obligations		**22,422**	23,378
Lease liabilities		**14,765**	3,281
Zakat and income tax payable	10	**12,587**	8,976
Accrued income payable to Insurance Authority		**1,862**	586
Total liabilities		**696,476**	751,605
EQUITY			
Share capital	9	**500,000**	500,000
Accumulated losses		**(212,904)**	(162,072)
Statutory reserve		**-**	41,362
Fair value reserve		**70,799**	70,799
Remeasurement reserve of employee benefit obligations		**(504)**	(504)
Total equity		**357,391**	449,585
TOTAL LIABILITIES AND EQUITY		**1,053,867**	1,201,190

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.

طارق بو

Chairman of the Board of Directors	Managing Director	Chief Financial Officer

AL-ETIHAD COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF INCOME
FOR THE THREE AND SIX-MONTH PERIODS ENDED JUNE 30, 2026
(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

	Note	For the three-month period ended June 30, 2026 (Unaudited)	2025 (Unaudited)	For the six-month period ended June 30, 2026 (Unaudited)	2025 (Unaudited)
Insurance revenue	12	**301,725**	317,227	**603,164**	605,544
Insurance service expenses	12	**(327,970)**	(365,384)	**(653,977)**	(652,815)
Net expenses from reinsurance contracts held	12	**(37,283)**	(19,266)	**(56,857)**	(46,612)
Insurance service result from Company's directly written business		**(63,528)**	(67,423)	**(107,670)**	(93,883)
Share of surplus from insurance pools	14	**6,998**	2,296	**6,998**	5,353
Total insurance service result		**(56,530)**	(65,127)	**(100,672)**	(88,530)
Murabaha income from financial assets not measured at FVTPL		**7,113**	10,972	**14,163**	21,841
Net loss on financial assets measured at FVTPL		**(3,246)**	(8,804)	**(1,851)**	(3,761)
Other investment revenue / dividend income		**2,072**	2,063	**3,042**	2,904
Net impairment reversal / (loss) on financial assets		**2**	(96)	**14**	(182)
Net investment income		**5,941**	4,135	**15,368**	20,802
Finance income / (expense) from insurance contracts issued	13	**66**	436	**986**	(648)
Finance income from reinsurance contracts held	13	**393**	105	**264**	273
Net insurance finance income / (expense)		**459**	541	**1,250**	(375)
Net insurance and investment result		**(50,130)**	(60,451)	**(84,054)**	(68,103)
Other operating expenses		**(1,383)**	(2,607)	**(3,979)**	(5,375)
Finance costs on lease liabilities		**(200)**	(51)	**(237)**	(127)
Other income		**102**	1,665	**94**	3,709
Total loss for the period before zakat and income tax		**(51,611)**	(61,444)	**(88,176)**	(69,896)
Zakat and income tax expense	10	**(1,018)**	(2,250)	**(4,018)**	(5,716)
NET LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS		**(52,629)**	(63,694)	**(92,194)**	(75,612)
Loss per share (expressed in Saudi Riyals (⃁) per share)					
Basic loss per share	19	**(1.05)**	(1.27)	**(1.84)**	(1.51)
Diluted loss per share	19	**(1.05)**	(1.27)	**(1.84)**	(1.51)

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.

طارق بو

Chairman of the Board of Directors | Managing Director | Chief Financial Officer

AL-ETIHAD COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND SIX-MONTH PERIODS ENDED JUNE 30, 2026
(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
NET LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	**(52,629)**	(63,694)	**(92,194)**	(75,612)
Other comprehensive income:				
Items that will not be reclassified to interim condensed statement of income in subsequent periods				
Net changes in fair value of investments measured at FVOCI	-	-	-	2,508
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	**(52,629)**	(63,694)	**(92,194)**	(73,104)

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.

Chairman of the Board of Directors	Managing Director	Chief Financial Officer

AL-ETIHAD COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026
(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

	Note	Share capital	(Accumulated losses) / Retained earnings	Statutory reserve	Fair value reserve	Remeasurement reserve of employee benefit obligations	Total
Balance at January 1, 2026 (Audited)		**500,000**	**(162,072)**	**41,362**	**70,799**	**(504)**	**449,585**
Total comprehensive loss for the period							
Net loss for the period attributable to the shareholders		-	**(92,194)**	-	-	-	**(92,194)**
Other comprehensive income		-	-	-	-	-	-
Total comprehensive loss for the period attributable to the shareholders		-	**(92,194)**	-	-	-	**(92,194)**
Transfer	25	-	**41,362**	**(41,362)**	-	-	-
Balance at June 30, 2026 (Unaudited)		**500,000**	**(212,904)**	-	**70,799**	**(504)**	**357,391**
Balance at January 1, 2025 (Audited)		500,000	112,372	41,362	59,201	(1,278)	711,657
Total comprehensive income for the period							
Net loss for the period attributable to the shareholders		-	(75,612)	-	-	-	(75,612)
Other comprehensive income		-	-	-	2,508	-	2,508
Total comprehensive (loss) / income for the period attributable to the shareholders		-	(75,612)	-	2,508	-	(73,104)
Cash dividends		-	(30,000)	-	-	-	(30,000)
Balance at June 30, 2025 (Unaudited)		500,000	6,760	41,362	61,709	(1,278)	608,553

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.

Chairman of the Board of Directors

Managing Director

Chief Financial Officer

AL-ETIHAD COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026
(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

	Note	For the six-month period ended June 30, 2026 (Unaudited)	2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Total loss for the period before zakat and income tax		**(88,176)**	(69,896)
Adjustments for non-cash items:			
Depreciation of property and equipment		**981**	1,208
Amortization of intangible assets		**2,075**	1,875
Depreciation of right-of-use assets		**1,762**	1,733
Impairment reversal on investment at amortized cost		**-**	(2)
Impairment reversal on fixed income deposits		**(17)**	(20)
Net loss on investments at fair value through profit or loss	7	**1,800**	3,761
Net loss on disposal of investment at amortized cost	7	**51**	(21)
Income of sukuks		**(1,261)**	(1,851)
Finance costs on lease liabilities		**237**	127
Accrued sukuk income on investment at amortized cost		**106**	496
Accrued sukuk income on investment through profit or loss		**111**	2
Accrued murabaha income		**496**	2,630
Provision for employees benefit obligations		**2,397**	2,486
Changes in operating assets and liabilities:			
Prepaid expenses and other assets		**29,536**	(21,904)
Insurance contract assets		**(2,764)**	(33,649)
Reinsurance contract assets		**34,152**	(9,778)
Accrued income on statutory deposit		**(1,276)**	(1,071)
Accrued and other liabilities		**5,710**	746
Insurance contract liabilities		**(80,972)**	(1,139)
Reinsurance contract liabilities		**4,718**	9,119
Accrued income payable to Insurance Authority		**1,276**	1,072
Cash used in operations		**(89,058)**	(114,076)
Employee benefit obligations paid		**(3,353)**	(522)
Zakat and income tax paid	10	**(407)**	(10,250)
Net cash used in operating activities		**(92,818)**	(124,848)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment against purchase of investment measured at amortised cost		**-**	(20,999)
Proceed from redemption of investment measured at amortised cost		**3,324**	25,193
Payment against purchase of financial assets at FVTPL	7	**(34,600)**	(21,682)
Proceed from sale of financial assets at FVTPL	7	**58,569**	21,020
Net movement in term deposits		**101,001**	123,250
Addition to property and equipment		**(133)**	(147)
Addition to intangible assets		**-**	(167)
Net cash generated from investing activities		**128,161**	126,468

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Chairman of the Board of Directors	Managing Director	Chief Financial Officer

AL-ETIHAD COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CASH FLOWS (Continued)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026
(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

		For the six-month period ended June 30,	
		2026 (Unaudited)	2025 (Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(30,000)
Net cash used in financing activities		-	(30,000)
Net change in cash and cash equivalents		**35,343**	(28,380)
Cash and cash equivalents at the beginning of the period		**94,988**	106,067
CASH AND CASH EQUIVALENTS, AT THE END OF THE PERIOD		**130,331**	**77,687**
Supplemental non-cash information:			
Transfer from statutory reserve to accumulated losses	25	**41,362**	-

The accompanying notes from 1 to 27 form an integral part of this interim condensed financial information.

Chairman of the Board of Directors	Managing Director	Chief Financial Officer

1. GENERAL INFORMATION

(a) Legal status and principal activities

Al-Etihad Cooperative Insurance Company, (a Saudi Joint Stock Company incorporated in Kingdom of Saudi Arabia), "the Company", was formed pursuant to Royal Decree No. M/25 dated 15 Rabea I 1428H corresponding to April 3, 2007. The Company operates under commercial registration number 2051036304 (unified number 7001549059) dated Muharram 21, 1429H corresponding to January 30, 2008. The registered address of the Company's head office is as follows:

Al-Etihad Cooperative Insurance Company
Head Office
King Fahad Road
P.O. Box 1022
Dhahran 34232-4233, Kingdom of Saudi Arabia

The purpose of the Company is to transact cooperative insurance operations and all related activities in accordance with the Law on Supervision of Cooperative Insurance Companies (the "Law") and its implementing regulations in the Kingdom of Saudi Arabia. Its principal lines of business include medical, motor, property, engineering, general accident, and others.

2. BASIS OF PREPARATION

(a) Statement of Compliance

The interim condensed financial information of the Company for the period ended June 30, 2026, has been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as endorsed in 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, the Company maintains separate books of accounts for Insurance Operations and Shareholders' Operations and presents the interim condensed 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.

In accordance with the requirements of Implementing Regulation for Co-operative Insurance Companies (the "Regulations") issued by Insurance Authority ("IA") (formerly "SAMA") and as per By-laws of the Company, 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 from insurance operations is transferred to the shareholders' operations in full.

IA implementing regulations require the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders' operations.

In preparing the Company-level interim condensed financial information 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

The interim condensed financial information is prepared under the historical cost convention, except as explained in the relevant accounting policies in the annual financial statements for the year ended December 31, 2025.

2. BASIS OF PREPARATION (Continued)

(c) Going concern assessment

The Company has incurred a net loss attributable to the shareholders of ⃁ 92.2 million during the six-month period ended June 30, 2026 (six-month period ended June 30, 2025: ⃁ 75.6 million). The Company's net cash used in operating activities for the period then ended amounted to ⃁ 92.8 million (2025: ⃁ 124.8 million). Further, as at June 30, 2026, the Company had accumulated loss of ⃁ 212.9 million (as at December 31, 2025: ⃁ 162.1 million) and the Company's solvency margin has declined below the minimum solvency requirements as mandated by the Insurance Authority.

Management is implementing a number of strategic and operational initiatives aimed at strengthen the Company's financial position and improving its long-term performance. These include refinement in pricing strategies, diversification of insurance portfolio, improvement in controls over claims management processes, improved recoverability of premium receivable balances, among others and expects that this will reflect positively in the operational results and cash flows in the future periods.

Management has performed an assessment of its going concern assumption and based on the updated detailed business plan of the Company, management believes that the Company will be able to continue its operations and meet its obligations as they fall due within the next 12 months. Accordingly, management believes that the Company's operations shall continue for the foreseeable future under the normal course of business and the going concern basis used in the preparation of these Interim condensed financial information remains appropriate.

(d) Basis of presentation

The interim condensed financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended December 31, 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, financial assets measured at FVTPL, prepaid expenses and other assets, accrued income on statutory deposit, accrued and other liabilities, zakat and income tax payable and accrued income payable to Insurance Authority. The following balances would generally be classified as non-current: financial assets measured at FVOCI and amortised cost, right-of-use assets, property and equipment, intangible assets, goodwill, statutory deposit, and employee benefit obligations. The balances which are of mixed in nature i.e. include both current and non-current portions include term deposits, insurance contract assets / liabilities, reinsurance contract assets / liabilities and lease liabilities.

The interim condensed statements of financial position, income, comprehensive income and cash flows of the insurance operations and shareholders' operations which are presented in note 23 of the Interim condensed financial information have been provided as supplementary financial information and to comply with the requirements of the Saudi Arabian Insurance Regulations.

The inclusion of separate information of the insurance operations with the Interim condensed financial information of the Company in the interim condensed statement of financial position, the statement of income, statement of comprehensive income, cash flows as well as certain relevant notes to the interim condensed financial information represents additional supplementary statements as required by the implementing regulations.

(e) Functional and presentation currency

This interim condensed financial information is expressed in Saudi Riyals (⃁) which is the functional and presentation currency of the Company. All the figures have been rounded off to the nearest thousands ("000") unless otherwise stated.

2. BASIS OF PREPARATION (Continued)

(f) Seasonality of operations

There are no seasonal changes that may affect insurance operations of the Company. The interim results may not represent a proportionate share of the annual results due to cyclical variability in premiums and uncertainty of claims occurrences.

(g) Changes in products and services

During the six-month period ended June 30, 2026, there were no significant changes in products or services and their terms of the insurance contracts offered by the Company.

3. MATERIAL ACCOUNTING POLICIES

3.1 New standards, amendments and interpretations applied by the Company

A number of new and amended standards became applicable for the current reporting period.

- Amendment to IFRS 9 'Financial instruments' ("IFRS 9") and IFRS 7 'Financial Instruments:
- Disclosures' ("IFRS 7");
- Annual improvements to International Financial Reporting Standards - Volume 11;
- IFRS 9 and IFRS 7 - Contracts referencing nature-dependent electricity

The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

3.2 Standards and amendments issued but not yet effective

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for January 1, 2026 reporting periods and have not been early adopted by the Company.

- IFRS 19 'Subsidiaries without Public Accountability: Disclosures';
- Amendment to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Translation to a Hyperinflationary Presentation Currency.

Management is in the process of assessing the impact of such new standards, amendments and interpretations on its financial statements.

- IFRS 18 'Presentation and Disclosure in Financial Statements';

IFRS 18 Presentation and Disclosures in Financial Statements will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after January 1, 2027. The Company has not early adopted the new accounting standard in preparing this interim condensed financial information; however early application is permitted.

The International Accounting Standards Board ("IASB") has issued IFRS 18 "Presentation and Disclosure in Financial Statements", which will replace IAS 1 Presentation of Financial Statements. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The standard introduces new requirements relating to the structure of the statement of profit or loss, including prescribed categories for income and expenses, new defined subtotals, enhanced principles for aggregation and disaggregation of information, and additional disclosure requirements relating to management-defined performance measures ("MPMs").

3. MATERIAL ACCOUNTING POLICIES (Continued)

3.2 Standards and amendments issued but not yet effective (Continued)

The Company has performed a preliminary assessment of the requirements of IFRS 18 and the potential implications for its financial reporting are as follows;

a) Structure of the Statement of Profit or Loss

Based on management's assessment to date, the Company's principal business activities are expected to comprise both insurance operations and the management of investments held to support insurance contract liabilities and related capital requirements. Accordingly, income and expenses arising from insurance contracts, insurance finance income or expenses, and investment returns generated from assets supporting the insurance business are expected to be presented within the operating category of the statement of profit or loss under IFRS 18.

The Company expects the adoption of IFRS 18 to result in changes to the presentation of the statement of profit or loss, including the introduction of new mandatory subtotals ('operating profit' and 'profit or loss before financing and income taxes') and potential reclassification of certain income and expense items within the prescribed categories required by the standard. While IFRS 18 does not change the recognition or measurement requirements applicable to the Company's assets, liabilities, income or expenses, it may affect how financial performance is presented and communicated to users of the financial statements. The principal areas currently identified include;

- Finance costs on lease liabilities, which is currently presented within operating category, will be presented within the financing category in accordance with IFRS 18, which provides specific guidance on the classification of income and expenses within the operating and financing categories.
- Interest cost on employee benefit obligations, which is currently presented within insurance service expense and other operating expense, will be classified and presented within financing category.
- Murabaha income, investment income and fair value gains or losses arising from investments held to support insurance operations, including term deposits, sukuks and other debt and equity investments, are expected to be presented within the operating category of the statement of profit or loss.

b) Management-defined performance measures

Management-defined performance measures (MPMs) are subtotals of income and expenses used in public communications outside the financial statements that communicate to user's management's view of an aspect of the financial performance of the entity as a whole. The Company will be required to disclose specific information about MPMs in a single note in the financial statements.

The Company is in process to determine which public communications should be considered when identifying MPMs. MPMs relate to the same reporting period as the financial statements. Therefore, MPMs disclosed by the Company following adoption of IFRS 18 will be determined based on public communications issued by the Company relating to the 2027 interim reporting period.

c) Principles of aggregation and disaggregation

IFRS 18 provides enhanced principles on how to group information in the financial statements (i.e. the primary financial statements and the notes). It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

3. MATERIAL ACCOUNTING POLICIES (Continued)

3.2 Standards and amendments issued but not yet effective (Continued)

c) Principles of aggregation and disaggregation (Continued)

The Company is currently evaluating whether additional disaggregation of material classes of income, expenses, assets and liabilities will be required and whether changes to existing presentation formats, systems, processes and internal reporting structures will be necessary to capture and present the required information.

The Company continues to assess the detailed impact of IFRS 18 on its financial statements, including the design of future presentation formats and disclosure requirements. At the reporting date, management has not completed its implementation assessment and accordingly has not yet quantified the full impact of adopting the standard.

d) Consequential amendments

IFRS 18 introduces consequential amendments to IAS 7 Statement of Cash Flows, including a requirement for entities applying the indirect method to use the newly defined Operating Profit subtotal as the starting point for the reconciliation of operating cash flows. The Company currently uses profit for the period / year as the starting point for determining cash flows from operating activities under the indirect method. Accordingly, certain reconciling items included within operating cash flows are expected to change upon adoption of IFRS 18.

The consequential amendments also introduce additional requirements and guidance regarding the classification of cash flows in a manner consistent with the categories presented in the statement of profit or loss. Based on management's preliminary assessment, cash flows relating to finance costs on lease liabilities recognised under IFRS 16 are expected to be classified within financing activities rather than operating activities. In addition, cash flows relating to financing components of employee benefit obligations may be presented within financing activities. The Company is also assessing the impact of the amended requirements on the presentation of cash flows arising from movements in term deposits and investments measured at amortised cost and fair value, including whether certain cash flows currently presented within investing activities may be presented within operating activities to reflect the Company's assessment that investing activities form part of its principal business activities.

3.3 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. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. Actual results may differ from these estimates.

In preparing this interim condensed financial information, the significant judgments and assumptions 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 and disclosed in the annual financial statements for the year ended December 31, 2025.

4. INFORMATION RELATED TO PRODUCT LINES

Results of product lines do not include Murabaha income from financial assets not measured at FVTPL, net (loss) / gains on financial assets measured at FVTPL, other investment revenue / dividend income, net impairment (loss) / gain on financial assets, other operating expenses, finance costs on lease liabilities and other income. Accordingly, these are included in unallocated.

Product lines' assets do not include cash and cash equivalents, term deposits, financial assets at fair value, financial assets at amortised cost, prepaid expenses and other assets, right-of-use assets, property and equipment, intangible assets, accrued income on statutory deposit, goodwill and statutory deposit. Accordingly, they are included in unallocated assets.
Product lines' liabilities do not include accrued and other liabilities, lease liabilities, employee benefit obligations, zakat and income tax payable and accrued income payable to Insurance Authority. Accordingly, they are included in unallocated liabilities.

The Company's information is presented into business units based on their products and services in the following product lines:

- Motor;
- Medical;
- Property and casualty;

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

4. INFORMATION RELATED TO PRODUCT LINES (Continued)

June 30, 2026 (Unaudited)	**Motor**	**Medical**	**Property and casualty**	**Total**	**Unallocated**	**Total**
Assets						
Reinsurance contract assets	**(9)**	**2,053**	**54,781**	**56,825**	**-**	**56,825**
Insurance contract assets	**-**	**3,171**	**-**	**3,171**	**-**	**3,171**
Unallocated assets	**-**	**-**	**-**	**-**	**993,871**	**993,871**
Total assets	**(9)**	**5,224**	**54,781**	**59,996**	**993,871**	**1,053,867**
Liabilities and Equity						
Insurance contract liabilities	**438,805**	**83,123**	**99,074**	**621,002**	**-**	**621,002**
Reinsurance contract liabilities	**4,042**	**773**	**-**	**4,815**	**-**	**4,815**
Unallocated liabilities and equity	**-**	**-**	**-**	**-**	**428,050**	**428,050**
Total liabilities and equity	**442,847**	**83,896**	**99,074**	**625,817**	**428,050**	**1,053,867**

December 31, 2025 (Audited)	Motor	Medical	Property and casualty	Total	Unallocated	Total
Assets						
Reinsurance contract assets	1,337	5,389	84,251	90,977	-	90,977
Insurance contract assets	-	407	-	407	-	407
Unallocated assets	-	-	-	-	1,109,806	1,109,806
Total assets	1,337	5,796	84,251	91,384	1,109,806	1,201,190
Liabilities and equity						
Insurance contract liabilities	502,751	80,326	118,897	701,974	-	701,974
Reinsurance contract liabilities	-	38	59	97	-	97
Unallocated liabilities and equity	-	-	-	-	499,119	499,119
Total liabilities and equity	502,751	80,364	118,956	702,071	499,119	1,201,190

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

4. INFORMATION RELATED TO PRODUCT LINES (Continued)

	Insurance operations					
For the three-months period ended June 30, 2026 (Unaudited)	**Motor**	**Medical**	**Property and casualty**	**Total**	**Unallocated**	**Total**
Insurance revenue	226,738	47,652	27,335	301,725	-	301,725
Insurance service expenses	(269,864)	(65,635)	7,529	(327,970)	-	(327,970)
Net expenses from reinsurance contracts	(5,557)	(2,690)	(29,036)	(37,283)	-	(37,283)
Insurance service result from Company's directly written business	(48,683)	(20,673)	5,828	(63,528)	-	(63,528)
Share of surplus from insurance pools	-	-	-	-	6,998	6,998
Total insurance service result	(48,683)	(20,673)	5,828	(63,528)	6,998	(56,530)
Murabaha income from financial assets not measured at FVTPL	-	-	-	-	7,113	7,113
Net loss on financial assets measured at FVTPL	-	-	-	-	(3,246)	(3,246)
Other investment revenue / dividend income	-	-	-	-	2,072	2,072
Net impairment reversal on investments	-	-	-	-	2	2
Net investment income	-	-	-	-	5,941	5,941
Finance income / (expense) from insurance contracts issued	397	168	(499)	66	-	66
Finance income / (expense) from reinsurance contracts held	13	(1)	381	393	-	393
Net insurance finance income	410	167	(118)	459	-	459
Net insurance and investment result	(48,273)	(20,506)	5,710	(63,069)	12,939	(50,130)
Other operating expenses – net	-	-	-	-	(1,383)	(1,383)
Finance costs on lease liabilities	-	-	-	-	(200)	(200)
Other income	-	-	-	-	102	102
Total (loss) / profit for the period before zakat and income tax	(48,273)	(20,506)	5,710	(63,069)	11,458	(51,611)
Zakat and income tax expense	-	-	-	-	(1,018)	(1,018)
NET (LOSS) / PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	(48,273)	(20,506)	5,710	(63,069)	10,440	(52,629)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

4. INFORMATION RELATED TO PRODUCT LINES (Continued)

	Insurance operations					
For the three-months period ended June 30, 2025 (Unaudited)	Motor	Medical	Property and casualty	Total	Unallocated	Total
Insurance revenue	207,470	76,386	33,371	317,227	-	317,227
Insurance service expenses	(277,123)	(75,614)	(12,647)	(365,384)	-	(365,384)
Net expenses from reinsurance contracts	(4,196)	610	(15,680)	(19,266)	-	(19,266)
Insurance service result from Company's directly written business	(73,849)	1,382	5,044	(67,423)	-	(67,423)
Share of surplus from insurance pools					2,296	2,296
Total insurance service result	(73,849)	1,382	5,044	(67,423)	2,296	(65,127)
Murabaha income from financial assets not measured at FVTPL	-	-	-	-	10,972	10,972
Net loss on financial assets measured at FVTPL	-	-	-	-	(8,804)	(8,804)
Other investment revenue / dividend income	-	-	-	-	2,063	2,063
Net impairment reversal on investments	-	-	-	-	(96)	(96)
Net investment income	-	-	-	-	4,135	4,135
Finance income / (expense) from insurance contracts issued	25	486	(75)	436	-	436
Finance income / (expense) from reinsurance contracts held	35	(9)	79	105	-	105
Net insurance finance income	60	477	4	541	-	541
Net insurance and investment result	(73,789)	1,859	5,048	(66,882)	6,431	(60,451)
Other operating expenses – net	-	-	-	-	(2,607)	(2,607)
Finance costs on lease liabilities	-	-	-	-	(51)	(51)
Other income	-	-	-	-	1,665	1,665
Total (loss) / profit for the period before zakat and income tax	(73,789)	1,859	5,048	(66,882)	5,438	(61,444)
Zakat and income tax expense	-	-	-	-	(2,250)	(2,250)
NET (LOSS) / PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	(73,789)	1,859	5,048	(66,882)	3,188	(63,694)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

4. INFORMATION RELATED TO PRODUCT LINES (Continued)

	Insurance operations					
For the six-month period ended June 30, 2026 (Unaudited)	**Motor**	**Medical**	**Property and casualty**	**Total**	**Unallocated**	**Total**
Insurance revenue	449,856	101,051	52,257	603,164	-	603,164
Insurance service expenses	(517,554)	(131,495)	(4,928)	(653,977)	-	(653,977)
Net expenses from reinsurance contracts	(7,640)	(4,308)	(44,909)	(56,857)	-	(56,857)
Insurance service result from Company's directly written business	(75,338)	(34,752)	2,420	(107,670)	-	(107,670)
Share of surplus from insurance pools	-	-	-	-	6,998	6,998
Total insurance service result	(75,338)	(34,752)	2,420	(107,670)	6,998	(100,672)
Murabaha income from financial assets not measured at FVTPL	-	-	-	-	14,163	14,163
Net loss on financial assets measured at FVTPL	-	-	-	-	(1,851)	(1,851)
Other investment revenue / dividend income	-	-	-	-	3,042	3,042
Net impairment loss on investments	-	-	-	-	14	14
Net investment income	-	-	-	-	15,368	15,368
Finance income / (expense) from insurance contracts issued	1,105	157	(276)	986	-	986
Finance income from reinsurance contracts held	10	15	239	264	-	264
Net insurance finance (expense) / income	1,115	172	(37)	1,250	-	1,250
Net insurance and investment result	(74,223)	(34,580)	2,383	(106,420)	22,366	(84,054)
Other operating expenses – net	-	-	-	-	(3,979)	(3,979)
Finance costs on lease liabilities	-	-	-	-	(237)	(237)
Other income	-	-	-	-	94	94
Total (loss) / profit for the period before zakat and income tax	(74,223)	(34,580)	2,383	(106,420)	18,244	(88,176)
Zakat and income tax expense	-	-	-	-	(4,018)	(4,018)
NET (LOSS) / PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	(74,223)	(34,580)	2,383	(106,420)	14,226	(92,194)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

4. INFORMATION RELATED TO PRODUCT LINES (Continued)

	Insurance operations					
For the six-month period ended June 30, 2025 (Unaudited)	Motor	Medical	Property and casualty	Total	Unallocated	Total
Insurance revenue	405,287	139,207	61,050	605,544	-	605,544
Insurance service expenses	(503,202)	(127,868)	(21,745)	(652,815)	-	(652,815)
Net expenses from reinsurance contracts	(6,760)	(12,620)	(27,232)	(46,612)	-	(46,612)
Insurance service result from Company's directly written business	(104,675)	(1,281)	12,073	(93,883)	-	(93,883)
Share of surplus from insurance pools	-	-	-	-	5,353	5,353
Total insurance service result	(104,675)	(1,281)	12,073	(93,883)	5,353	(88,530)
Murabaha income from financial assets not measured at FVTPL	-	-	-	-	21,841	21,841
Net loss on financial assets measured at FVTPL	-	-	-	-	(3,761)	(3,761)
Other investment revenue / dividend income	-	-	-	-	2,904	2,904
Net impairment reversal on investments	-	-	-	-	(182)	(182)
Net investment income	-	-	-	-	20,802	20,802
Finance (expense) / income from insurance contracts issued	(296)	(171)	(181)	(648)	-	(648)
Finance income / (expense) from reinsurance contracts held	38	285	(50)	273	-	273
Net insurance finance (expense) / income	(258)	114	(231)	(375)	-	(375)
Net insurance and investment result	(104,933)	(1,167)	11,842	(94,258)	26,155	(68,103)
Other operating expenses – net	-	-	-	-	(5,375)	(5,375)
Finance costs on lease liabilities	-	-	-	-	(127)	(127)
Other income	-	-	-	-	3,709	3,709
Total (loss) / profit for the period before zakat and income tax	(104,933)	(1,167)	11,842	(94,258)	24,362	(69,896)
Zakat and income tax expense	-	-	-	-	(5,716)	(5,716)
NET (LOSS) / PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	(104,933)	(1,167)	11,842	(94,258)	18,646	(75,612)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following:

	Insurance operations		Shareholders' operations		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Cash at bank - current accounts	**46,922**	47,737	**16,205**	1,601	**63,127**	49,338
Money market funds	**52,211**	45,654	-	-	**52,211**	45,654
Time deposits	**14,999**	-	-	-	**14,999**	-
Less: Allowance for expected credit loss	**(5)**	(4)	**(1)**	-	**(6)**	(4)
	114,127	93,387	**16,204**	1,601	**130,331**	94,988

Cash at banks is placed with counterparties with sound credit ratings. For the period ending June 30, 2026, deposits were placed with local banks with original maturities of less than three months from the date of placement and earned commission income at an average rate of 3% to 4.5% (For the year ending December 31, 2025: 3.15% to 5.85%) per annum, respectively.

Money market funds are managed by reputable financials institution. These funds primary invest in short-term highly liquid debt instruments with minimal credit risk.

The gross carrying amount of cash and cash equivalents represents the Company's maximum exposure to credit risk on these financial assets which are categorized 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. The Company's exposures to credit risk are not collateralized.

6. TERM DEPOSITS

Short-term deposits, amounting to ⃁ 7.7 million (December 31, 2025: ⃁ 110.11 million), are placed with local banks and financial institutions with an original maturity of more than three months but less than or equal to twelve months from the date of placement. These deposits earned commission income at a rate of 4.07% to 5.85% per annum for the period ended June 30, 2026 (December 31, 2025: 4.07% to 5.85%).

Long-term deposits, amounting to ⃁ 199.7 million (December 31, 2025: ⃁ 198.76 million), are placed with local banks and financial institutions represent deposits with maturity of more than one year from the date of placement and are placed with banks carrying commission income at an average rate of 2.3% to 6.25% (December 31, 2025: 2.3% to 6.25%).

The gross carrying amounts above represent the Company's maximum exposure to credit risk on these financial assets which are categorized 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. The Company's exposures to credit risk are not collateralized. At June 30, 2026 and December 31, 2025, the ECL allowance on such financial assets was immaterial.

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

7. INVESTMENTS

Investments are classified as follows:

	Insurance operations		Shareholders' operations		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Investments at amortized cost						
Investments at amortized cost	**266,489**	264,988	**67,589**	71,204	**334,078**	336,192
Accrued Sukuks income	**2,656**	2,715	**880**	927	**3,536**	3,642
Less: Allowance for expected credit loss (Stage 1)	**-**	-	**(1)**	(1)	**(1)**	(1)
Net Investments at amortized cost	**269,145**	267,703	**68,468**	72,130	**337,613**	339,833
Investments at fair value						
Investments at FVTOCI	**-**	-	**78,868**	78,868	**78,868**	78,868
Investments at FVTPL	**-**	-	**127,880**	153,649	**127,880**	153,649
Accrued income on Sukuks of FVTPL	**-**	-	**155**	266	**155**	266
Investments at fair value	**-**	-	**206,903**	232,783	**206,903**	232,783
Total	**269,145**	267,703	**275,371**	304,913	**544,516**	572,616

Investment in mutual funds and debt instruments that fail SPPI test, are classified as investments measured at FVTPL. The Company has classified its investments in ordinary shares at FVTPL, except for Najm investments and Arab Re which are being held at FVOCI. The Company holds an investment in the equity of Najm for Insurance Services (Najm) and Arab Reinsurance Company in accordance with Company's accounting policy, investments in equity instruments should be measured at fair value.

Debt instruments represent investments in Sukuks that are classified as investments at amortized cost, as they pass SPPI assessment. The Company's business model for Sukuk classified as Investments at amortized cost is to hold to collect contractual cash flows.

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

7. INVESTMENTS (Continued)

(a) Movement in Investments at amortized cost is as follows:

	Insurance operations		Shareholders' operations		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of the period / year	**264,988**	245,157	**71,204**	97,444	**336,192**	342,601
Additions during the period / year	**-**	20,999	**-**	-	**-**	20,999
Disposals during the period / year	**-**	(4,900)	**(3,324)**	(26,325)	**(3,324)**	(31,225)
Amortisation-net	**1,501**	3,732	**(240)**	85	**1,261**	3,817
Loss on disposal	**-**	-	**(51)**	-	**(51)**	-
Balance at end of the period / year	**266,489**	264,988	**67,589**	71,204	**334,078**	336,192

(b) Movement in investments carried at fair value is as follows:

(i) Movements in Investments at fair value through other comprehensive income:

	Insurance operations		Shareholders' operations		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of the period / year	**-**	-	**78,868**	67,270	**78,868**	67,270
Changes in fair value of investments	**-**	-	**-**	11,598	**-**	11,598
Balance at end of the period / year	**-**	-	**78,868**	78,868	**78,868**	78,868

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

7. INVESTMENTS (Continued)

(b) Movement in investments carried at fair value is as follows (Continued):

(ii) Movements in Investments at fair value through profit or loss:

	Insurance operations		Shareholders' operations		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Balance at beginning of the period / year	-	-	**153,649**	156,326	**153,649**	156,326
Additions during the period / year	-	-	**34,600**	52,945	**34,600**	52,945
Disposals	-	-	**(58,569)**	(43,507)	**(58,569)**	(43,507)
Changes in fair value of investments	-	-	**(1,800)**	(12,115)	**(1,800)**	(12,115)
Balance at end of the period / year	-	-	**127,880**	153,649	**127,880**	153,649

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

8. STATUTORY DEPOSIT

In accordance with Article 58 of the Insurance Implementing Regulations of Insurance Authority, formerly SAMA, the Company is required to maintain a statutory deposit of not less than 10% of its paid-up capital. The statutory deposit is maintained with a Saudi Arabian bank and can be withdrawn only with the consent of the Insurance authority.

In accordance with the instruction received from SAMA vide their circular dated March 1, 2016, the Company has disclosed the commission due on the statutory deposit as at June 30, 2026 as an asset and a liability in this interim condensed financial information.

The gross carrying amount of statutory deposit represents the Company's maximum exposure to credit risk on these financial assets which are categorized 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. The Company's exposures to credit risk are not collateralized. At June 30, 2026 and December 31, 2025, the ECL allowance on such financial assets was immaterial.

9. SHARE CAPITAL

The authorized, issued and paid-up capital of the Company was ⃁ 500 million at June 30, 2026 and December 31, 2025 consisting of 50 million shares of ⃁ 10 each.

Shareholding structure of the Company as of June 30, 2026 and December 31, 2025 is as below:

	June 30, 2026		December 31, 2025	
	No. of Shares	**Paid up (⃁)**	No. of Shares	Paid up (⃁)
Al Ahleia Insurance Co. – Kuwait	**14,334,981**	**143,349,810**	14,334,981	143,349,810
Others	**35,665,019**	**356,650,190**	35,665,019	356,650,190
	50,000,000	**500,000,000**	50,000,000	500,000,000

10. ZAKAT AND INCOME TAX

(a) Shareholding percentage

The shareholding percentage of the Company at June 30, 2026 and December 31, 2025 is as follows:

	June 30, 2026	December 31, 2025
Shareholding percentage subject to zakat (%)	**97.3**	97.3
Shareholding percentage subject to income tax (%)	**2.7**	2.7
	100	100

(b) Income tax

Income tax provision relates to non-Saudi shareholders and has been provided for based on the estimated taxable profit at the rate of 20% per annum. The differences between the financial results and taxable income are mainly due to adjustments for certain costs / claims based on the relevant fiscal regulations.

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

10. ZAKAT AND INCOME TAX (Continued)

(c) Movement in the provision for Zakat, income tax and deferred tax during the period / year

Combined movement of zakat and income tax is as follows:

	Zakat (Unaudited)	**Income Tax (Unaudited)**	**Total (Unaudited)**
January 1, 2026	**8,680**	**296**	**8,976**
Charge for the period	**3,918**	**100**	**4,018**
Payment	**(407)**	**-**	**(407)**
June 30, 2026	**12,191**	**396**	**12,587**

	Zakat (Audited)	Income Tax (Audited)	Total (Audited)
January 1, 2025	16,538	509	17,047
Charge for the year:	11,489	293	11,782
Payment	(19,347)	(506)	(19,853)
December 31, 2025	8,680	296	8,976

(d) Status of assessments

zakat and income tax certificate

The Company has submitted its zakat and tax returns up to the year ended December 31, 2025 and has received final clearance from ZATCA till the year 2020 and the year 2022.

In 2024, the Zakat, Tax and Customs Authority ("ZATCA") raised final assessments for the years 2021 and 2022 assessing additional zakat liability amounting to ⃁ 1.5 million and ⃁ 0.9 million respectively. The Company had partially accepted and settled the additional liability related to 2021 and file an objection against the remaining items. The objection was subsequently rejected by ZATCA and the Company filed appeal to Tax Violations and Disputes Resolution Committees ("TVDRC") and the appeal was subsequently rejected and paid during 2026. The Company settled 2022 additional assessment without objection.

The Company also received an assessment for year 2023 from ZATCA claiming additional tax liability amounting to ⃁ 169 thousand. The company settled full amounts and raised objection on the conflict item which is under review by ZATCA. The objection was subsequently rejected by ZATCA and the Company filed appeal to General Secretariat of Zakat, Tax and customs committees (GSZTCC) which is currently under review.

Management believes that the level of the existing provision for zakat and income tax maintained by the Company is presently sufficient to cover such uncertain zakat and income tax positions.

The Company is currently being assessed by ZATCA for Zakat and income tax year 2024 and has not received the assessment yet.

Value added tax

The Company has received clearance for VAT till year ended December 31, 2023. The Company is currently being assessed by ZATCA for the VAT year 2024 and has not received assessment results yet.

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

11. INSURANCE AND REINSURANCE CONTRACTS

11.1 Composition of the statement of 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:

June 30, 2026 (Unaudited)	**Motor**	**Medical**	**Property and casualty**	**Total**
Insurance Contracts				
Insurance contract assets	**-**	**3,171**	**-**	**3,171**
Insurance contract liabilities	**(438,805)**	**(83,123)**	**(99,074)**	**(621,002)**
				(617,831)
Reinsurance contracts				
Reinsurance contract assets	**(9)**	**2,053**	**54,781**	**56,825**
Reinsurance contract liabilities	**(4,042)**	**(773)**	**-**	**(4,815)**
				52,010
December 31, 2025 (Audited)				
Insurance Contracts				
Insurance contract assets	-	407	-	407
Insurance contract liabilities	(502,751)	(80,326)	(118,897)	(701,974)
				(701,567)
Reinsurance contracts				
Reinsurance contract assets	1,337	5,389	84,251	90,977
Reinsurance contract liabilities	-	(38)	(59)	(97)
				90,880

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

11. INSURANCE AND REINSURANCE CONTRACTS (Continued)

11.2 Analysis by remaining coverage and incurred claims

11.2.1 Insurance contracts

	As at June 30, 2026 (Unaudited)					As at December 31, 2025 (Audited)				
	Liability for remaining coverage		Liability for incurred claims			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	Total	Excluding loss component	Loss component	Estimates of present value of FCF	Risk Adjustment for non-financial risk	Total
Insurance contracts										
Insurance contract liabilities - opening	314,315	17,659	357,571	12,429	701,974	338,309	28,466	334,273	13,415	714,463
Insurance contract assets - opening	(2,201)	-	1,703	91	(407)	(64,245)	-	41,829	1,251	(21,165)
Opening balance - net	312,114	17,659	359,274	12,520	701,567	274,064	28,466	376,102	14,666	693,298
Insurance revenue	(603,164)	-	-	-	(603,164)	(1,254,553)	-	-	-	(1,254,553)
Insurance service expenses										
Incurred claims and other incurred insurance service expenses	-	-	542,871	7,106	549,977	-	-	1,245,329	7,741	1,253,070
Reversal of losses on onerous contracts	-	(13,073)	-	-	(13,073)	-	(10,807)	-	-	(10,807)
Changes that relate to past service - adjustments to the LIC	-	-	23,715	(7,149)	16,566	-	-	(41,404)	(9,992)	(51,396)
Insurance acquisition cashflows amortization	100,507	-	-	-	100,507	200,787	-	-	-	200,787
Insurance service expenses	100,507	(13,073)	566,586	(43)	653,977	200,787	(10,807)	1,203,925	(2,251)	1,391,654
Finance expense from insurance contracts	-	-	(959)	(27)	(986)	-	-	1,752	105	1,857
Total changes in the statement of income	(502,657)	(13,073)	565,627	(70)	49,827	(1,053,766)	(10,807)	1,205,677	(2,146)	138,958
Cashflows										
Premiums received	552,156	-	-	-	552,156	1,296,639	-	-	-	1,296,639
Claims and other directly attributable expenses paid	-	-	(588,093)	-	(588,093)	-	-	(1,222,505)	-	(1,222,505)
Insurance acquisition cashflows paid	(97,626)	-	-	-	(97,626)	(204,823)	-	-	-	(204,823)
Total cash inflows / (outflows)	454,530	-	(588,093)	-	(133,563)	1,091,816	-	(1,222,505)	-	(130,689)
Other movements	-	-	-	-	-	-	-	-	-	-
Insurance contracts										
Insurance contract liabilities - closing	267,776	4,586	336,193	12,447	621,002	314,315	17,659	357,571	12,429	701,974
Insurance contract assets - closing	(3,789)	-	615	3	(3,171)	(2,201)	-	1,703	91	(407)
Closing balance - net	263,987	4,586	336,808	12,450	617,831	312,114	17,659	359,274	12,520	701,567

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

11. INSURANCE AND REINSURANCE CONTRACTS (Continued)

11.2 Analysis by remaining coverage and incurred claims (Continued)

11.2.2 Reinsurance contracts

	As at June 30, 2026 (Unaudited)					As at December 31, 2025 (Audited)				
	Asset for remaining coverage		Asset for incurred claims			Asset for remaining coverage		Asset for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for on-financial risk	Total	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	Total
Reinsurance contracts										
Reinsurance contract assets - opening	30,592	185	57,218	2,982	90,977	6,370	4,004	106,828	4,471	121,673
Reinsurance contract liabilities - opening	(93)	-	(4)	-	(97)	(2,873)	203	1,768	61	(841)
Opening balance - net	30,499	185	57,214	2,982	90,880	3,497	4,207	108,596	4,532	120,832
Allocation of reinsurance premium	(49,941)	-	-	-	(49,941)	(100,561)	-	-	-	(100,561)
Amounts recoverable from reinsurers										
Claims recovered and other directly attributable expenses	-	-	10,481	399	10,880	-	-	31,843	1,082	32,925
Loss-recovery on onerous underlying contracts and adjustments	-	(185)	-	-	(185)	-	(4,022)	-	-	(4,022)
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(16,468)	(1,143)	(17,611)	-	-	(55,163)	(2,700)	(57,863)
Amounts recoverable from reinsurers – net	-	(185)	(5,987)	(744)	(6,916)	-	(4,022)	(23,320)	(1,618)	(28,960)
Finance (expense) / income from reinsurance contracts	-	-	250	5	255	-	-	1,867	68	1,935
Effect of changes in non-performance risk of reinsurers	-	-	9	-	9	-	-	-	-	-
Total changes in the statement of income	(49,941)	(185)	(5,728)	(739)	(56,593)	(100,561)	(4,022)	(21,453)	(1,550)	(127,586)
Cashflows										
Premiums paid net of ceding commission	25,517	-	-	-	25,517	127,563	-	-	-	127,563
Recoveries from reinsurance	-	-	(7,794)	-	(7,794)	-	-	(29,929)	-	(29,929)
Total cash (outflows) / inflows	25,517	-	(7,794)	-	17,723	127,563	-	(29,929)	-	97,634
Reinsurance contracts										
Reinsurance contract assets - closing	13,033	-	41,721	2,071	56,825	30,592	185	57,218	2,982	90,977
Reinsurance contract liabilities - closing	(6,958)	-	1,971	172	(4,815)	(93)	-	(4)	-	(97)
Closing balance - net	6,075	-	43,692	2,243	52,010	30,499	185	57,214	2,982	90,880

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

12. INSURANCE REVENUE AND EXPENSES

An analysis of insurance revenue, insurance expenses and net expenses from reinsurance contracts held by product line for the three-month and six-month periods June 30, 2026 and June 30, 2025 is included in following tables respectively. Additional information on amounts recognized in statement of income is included in the insurance contract balances reconciliation.

For the three-month period ended June 30, 2026 (Unaudited)	**Motor**	**Medical**	**Property and casualty**	**Total**
Insurance revenue from contracts measured under Premium Allocation Approach ("PAA")	**226,738**	**47,652**	**27,335**	**301,725**
Incurred claims and other incurred insurance service expenses	**(224,998)**	**(39,623)**	**(7,913)**	**(272,534)**
Changes that relate to past service - adjustments to the LIC	**(17,082)**	**(19,290)**	**20,368**	**(16,004)**
Reversal / (losses) on onerous contracts	**6,395**	**(41)**	**(1)**	**6,353**
Insurance acquisition cash flows amortisation	**(34,179)**	**(6,681)**	**(4,925)**	**(45,785)**
Total insurance service expenses	**(269,864)**	**(65,635)**	**7,529**	**(327,970)**
Reinsurance income contracts measured under the PAA				
Reinsurance premium ceded	**(6,058)**	**(3,988)**	**(21,715)**	**(31,761)**
Commission earned on reinsurance contracts held	**50**	**12**	**3,891**	**3,953**
Claims recovered and other directly attributable expenses	**-**	**1,286**	**3,626**	**4,912**
Loss-recovery on onerous underlying contracts and adjustments	**-**	**-**	**-**	**-**
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	**451**	**-**	**(14,838)**	**(14,387)**
Total net expenses from reinsurance contracts	**(5,557)**	**(2,690)**	**(29,036)**	**(37,283)**
Insurance service result from Company's directly written business	**(48,683)**	**(20,673)**	**5,828**	**(63,528)**
Share of surplus from insurance pools				**6,998**
Total insurance service result				**(56,530)**

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

12. INSURANCE REVENUE AND EXPENSES (Continued)

For the three-month period ended June 30, 2025 (Unaudited)	Motor	Medical	Property and casualty	Total
Insurance revenue from contracts measured under Premium Allocation Approach ("PAA")	207,470	76,386	33,371	317,227
Incurred claims and other incurred insurance service expenses	(223,151)	(64,841)	(12,984)	(300,976)
Changes that relate to past service - adjustments to the LIC	(15,022)	1,074	1,685	(12,263)
(Losses) / reversal of losses on onerous contracts	(6,736)	(1,818)	2,246	(6,308)
Insurance acquisition cash flows amortization	(32,214)	(10,029)	(3,594)	(45,837)
Total insurance service expenses	(277,123)	(75,614)	(12,647)	(365,384)
Reinsurance income contracts measured under the PAA				
Reinsurance premium ceded	(2,568)	(3,896)	(25,276)	(31,740)
Commission earned on reinsurance contracts held	69	9	4,394	4,472
Claims recovered and other directly attributable expenses	(150)	9,605	7,791	17,246
Loss-recovery on onerous underlying contracts and adjustments	108	64	(1,563)	(1,391)
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	(1,655)	(5,172)	(1,026)	(7,853)
Total net expenses from reinsurance contracts	(4,196)	610	(15,680)	(19,266)
Insurance service result from Company's directly written business	(73,849)	1,382	5,044	(67,423)
Share of surplus from insurance pools				2,296
Total insurance service result				(65,127)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

12. INSURANCE REVENUE AND EXPENSES (Continued)

	Motor	Medical	Property and casualty	Total
For the six-month period ended June 30, 2026 (Unaudited)				
Insurance revenue from contracts measured under Premium Allocation Approach ("PAA")	449,856	101,051	52,257	603,164
Incurred claims and other incurred insurance service expenses	(432,797)	(100,349)	(16,831)	(549,977)
Changes that relate to past service - adjustments to the LIC	(22,824)	(15,122)	21,380	(16,566)
Reversal / (losses) on onerous contracts	13,077	(233)	229	13,073
Insurance acquisition cash flows amortisation	(75,010)	(15,791)	(9,706)	(100,507)
Total insurance service expenses	(517,554)	(131,495)	(4,928)	(653,977)
Reinsurance income contracts measured under the PAA				
Reinsurance premium ceded	(8,190)	(5,564)	(44,065)	(57,819)
Commission earned on reinsurance contracts held	101	48	7,729	7,878
Claims recovered and other directly attributable expenses	-	3,268	7,612	10,880
Loss-recovery on onerous underlying contracts and adjustments	-	-	(185)	(185)
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	449	(2,060)	(16,000)	(17,611)
Total net expenses from reinsurance contracts	(7,640)	(4,308)	(44,909)	(56,857)
Insurance service result from Company's directly written business	(75,338)	(34,752)	2,420	(107,670)
Share of surplus from insurance pools				6,998
Total insurance service result				(100,672)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

12. INSURANCE REVENUE AND EXPENSES (Continued)

	Motor	Medical	Property and casualty	Total
For the six-month period ended June 30, 2025 (Unaudited)				
Insurance revenue from contracts measured under Premium Allocation Approach ("PAA")	405,287	139,207	61,050	605,544
Incurred claims and other incurred insurance service expenses	(429,240)	(134,446)	(32,465)	(596,151)
Changes that relate to past service - adjustments to the LIC	(10,815)	29,241	12,372	30,798
(Losses) / reversal of losses on onerous contracts	(2,282)	(1,818)	5,507	1,407
Insurance acquisition cash flows amortisation	(60,865)	(20,845)	(7,159)	(88,869)
Total insurance service expenses	(503,202)	(127,868)	(21,745)	(652,815)
Reinsurance income contracts measured under the PAA				
Reinsurance premium ceded	(5,127)	(6,889)	(50,517)	(62,533)
Commission earned on reinsurance contracts held	135	66	8,575	8,776
Claims recovered and other directly attributable expenses	11	14,915	20,054	34,980
Loss-recovery on onerous underlying contracts and adjustments	37	64	(3,601)	(3,500)
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	(1,816)	(20,776)	(1,743)	(24,335)
Total net expenses from reinsurance contracts	(6,760)	(12,620)	(27,232)	(46,612)
Insurance service result from Company's directly written business	(104,675)	(1,281)	12,073	(93,883)
Share of surplus from insurance pools				5,353
Total insurance service result				(88,530)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

13. INSURANCE FINANCE INCOME - NET

An analysis of the net insurance finance income by product line for the three- month and six-month periods ended June 30, 2026 and June 30, 2025 respectively is presented below:

For the three-month period ended June 30, 2026 (Unaudited)

	Motor	**Medical**	**Property and casualty**	**Total**
Finance income / (expense) from insurance contracts issued				
Interest accreted	**397**	**168**	**(499)**	**66**
Finance income / (expense) from insurance contracts issued	**397**	**168**	**(499)**	**66**
Finance income from reinsurance contracts held				
Interest accreted	**13**	**(1)**	**380**	**392**
Effects of changes in interest rates and other financial assumptions	**-**	**-**	**1**	**1**
Finance income / (expense) from reinsurance contracts held	**13**	**(1)**	**381**	**393**
Net insurance finance income / (expense)	**410**	**167**	**(118)**	**459**

For the three-month period ended June 30, 2025 (Unaudited)

	Motor	Medical	Property and casualty	Total
Finance income / (expense) from insurance contracts issued				
Interest accreted	25	486	(75)	436
Finance income / (expense) from insurance contracts issued	25	486	(75)	436
Finance income / (expense) from reinsurance contracts held				
Interest accreted	35	(9)	81	107
Effects of changes in interest rates and other financial assumptions	-	-	(2)	(2)
Finance income / (expense) from reinsurance contracts held	35	(9)	79	105
Net insurance finance income	60	477	4	541

For the six-month period ended June 30, 2026 (Unaudited)

	Motor	**Medical**	**Property and casualty**	**Total**
Finance income / (expense) from insurance contracts issued				
Interest accreted	**1,105**	**157**	**(276)**	**986**
Finance income / (expense) from insurance contracts issued	**1,105**	**157**	**(276)**	**986**
Finance income / (expense) from reinsurance contracts held				
Interest accreted	**10**	**15**	**230**	**255**
Effects of changes in interest rates and other financial assumptions	**-**	**-**	**9**	**9**
Finance income from reinsurance contracts held	**10**	**15**	**239**	**264**
Net insurance finance income / (expense)	**1,115**	**172**	**(37)**	**1,250**

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

13. INSURANCE FINANCE INCOME – NET (Continued)

For the six-month period ended June 30, 2025 (Unaudited)

	Motor	Medical	Property and casualty	Total
Finance expense from insurance contracts issued				
Interest accreted	(296)	(171)	(181)	(648)
Finance expense from insurance contracts issued	(296)	(171)	(181)	(648)
Finance income / (expense) from reinsurance contracts held				
Interest accreted	38	285	(48)	275
Effects of changes in interest rates and other financial assumptions	-	-	(2)	(2)
Finance income / (expense) from reinsurance contracts held	38	285	(50)	273
Net insurance finance (expense) / income	(258)	114	(231)	(375)

14. SHARE OF SURPLUS FROM INSURANCE POOLS

14.1 Share of surplus from Hajj and Umrah

This represents the Company's share in the surplus for medical and general accident product arising from the Hajj and Umrah scheme. The Company with twenty-seven other insurance companies operating in the Kingdom of Saudi Arabia, entered into an agreement with CCI effective from January 1, 2020. The compulsory Umrah product is offered by the ministry and approved by SAMA for insurance of pilgrims coming from outside of the Kingdom of Saudi Arabia except for citizens of the Gulf Cooperation Council countries. This covers general accidents of the pilgrims entering the Kingdom of Saudi Arabia to perform Umrah. The agreement terms are for 4 years starting from January 1, 2020 and it is renewable for another four years subject to the terms and conditions of the agreement. There is no renewal to the agreement in 2025 as the aforementioned arrangement has been discontinued. The Company's share of surplus in the Hajj and Umrah scheme is nil (For the six-months period ended June 30, 2025: ⃁ 0.37 million).

14.2 Rights and Entitlements of Non-Saudi Employees in Private Sector Entities Insurance ("ED Pool")

The Company, along with eighteen other insurance companies operating in the Kingdom of Saudi Arabia, entered into an agreement with Al-Etihad Cooperative Insurance Company, effective from November 3, 2024.

This compulsory product covers defaults of entities in paying the rights and entitlements of non-Saudi employees in private sector entities, as 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 November 3, 2024, and is renewable for another five years, subject to the terms and conditions of the agreement.

The subject policy coverage period ended on October 5, 2025 and the Company, as Operator, has participated in the renewal bidding process, which was not awarded.

Subsequent to the end of the coverage period, the pool continues to administer and settle obligations arising from coverage provided up to that date, in accordance with the terms of the agreement.

The Company's share of surplus in the Rights and Entitlements of Non-Saudi Employees in Private Sector scheme is ⃁ 7 million (For the six-months period ended June 30, 2025: ⃁ 3.18 million).

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

14. SHARE OF SURPLUS FROM INSURANCE POOLS (Continued)

14.3 Share of surplus from Inherent Defects Insurance

This represents the Company's share of surplus 10.25% in the Inherent Defects Insurance ("IDI") product. On June 25, 2020, an agreement was signed among thirteen insurance companies ("Participating Companies") operating in Kingdom of Saudi Arabia for IDI product, based on IA 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.

After expiry of the aforementioned agreement and effective June 24, 2025, Tawuniya Cooperative Insurance Company has been appointed as the new operator for IDI, following an increase in the number of participants from thirteen to seventeen. IDI is a mandatory insurance policy for contractors to insure against inherent defects that may appear in buildings and constructions after their occupation in non-governmental sector projects, according to Saudi Council of Ministers Decree No. 509 of Ramadan 21, 1439 AH (corresponding to June 5, 2018) and in accordance with the decision 441/187of the Governor of SAMA dated Sha'aban 5, 1441 AH (corresponding to March 29, 2020).

The Company's reported share of profit from Inherent Defects Insurance is nil (For the six-month period ended June 30, 2025: ⃁ 1.8 million).

15. COMMITMENTS AND CONTINGENCIES

The Company's commitments and contingencies are as follows:

Legal proceedings

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business relating to policyholders' insurance claims. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigations) will have a material impact on the Company's result or financial position.

Commitment

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Letters of guarantee	**32,606**	36,528

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

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 that are not carried at fair value are not significantly different from their carrying amounts included in the interim condensed financial information.

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

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table shows the carrying amounts 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 assets 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 commission rates which are based on prevalent market commission rates

(a) Carrying amounts and fair value of investments

Shareholders operations

	June 30, 2026 (Unaudited)			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value				
Investments at FVTOCI	-	-	**78,868**	**78,868**
Investments at FVTPL	**80,751**	**8,459**	**38,670**	**127,880**
	80,751	**8,459**	**117,538**	**206,748**

	December 31, 2025 (Audited)			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments at FVTOCI	-	-	78,868	78,868
Investments at FVTPL	106,067	8,707	38,875	153,649
	106,067	8,707	117,743	232,517

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

16. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The fair value of investment in quoted equity instruments include ordinary shares at level 1 based on quoted prices available in the market. Additionally, there were no changes in the valuation techniques. Fair values of private mutual fund classified in Level 3, except for Najm, are determined based on the investees' latest reported net assets values as at the date of statement of financial position taking into account the fair value of underlying investments by the fund.

Specific valuation techniques used by management's independent experts to value Najm investments (level 3), are as follows:

- **Discounted cashflows ("DCF") method:** The DCF valuation to discount the future operating cash flows of the Company to their present value using a weighted average cost of capital as the discount rate ("WACC"). The value derived from such an analysis results into a value for the enterprise (the "Enterprise Value"). This value includes the equity value of the company in addition to its net debt position. In order to arrive to an equity value of a company (the "Equity Value"), all outstanding financial debt and debt-like items, adjusted for excess cash and other liquid financial assets such as Murabahas and other investments, are subtracted from the Enterprise Value; and

- **Market multiples method:** The acquisition multiples of comparable private precedent transactions were assessed to indicate the value of the Company based on similar private transactions that have occurred during the previous period and covering full economic cycle. The Company has relied on local multiples valuation consisting of companies operating with a similar business model.

A weight of 60% (2025: 60%) and 40% (2025: 40%) are then applied to the fair values determined under both methods, to arrive at the equity valuation of Najm and the Company then accounts for its share in equity of Najm i.e. 3.45%.

Cash and cash equivalents, term deposits, investments not measured at FVTPL and FVTOCI, statutory deposit, accrued income on statutory deposits and the financial liabilities except employee benefit obligations are measured at amortized cost.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Furthermore, there were no transfers into and out of level 3 measurements.

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

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance at the beginning of the period / year	**117,743**	106,488
Unrealised loss on fair value through FVTPL	**(205)**	(343)
Unrealised gain on fair value through FVOCI	-	11,598
Balance at the end of the period / year	**117,538**	117,743

17. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise the shareholders, directors, associated companies (representing entities which are directly or indirectly controlled by or under the control of joint control of a shareholder who has significant influence over the Company), and key management personnel. Related parties also include business entities in which certain directors or senior management have control or joint control. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors.

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

17. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

The following are the details of major related parties' transactions during the period and the related balances:

Related parties	**Nature of transactions**	**For the three-month period ended June 30,**		**For the six-month period ended June 30**	
		2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Al Ahleia Insurance Co. - Kuwait	Reinsurance premiums ceded	**108**	215	**136**	305
	Reinsurers' share of gross claims paid	**15**	-	**15**	-
Kuwait Reinsurance Company - Kuwait	Reinsurance premiums ceded	**538**	802	**1,360**	1,575
	Reinsurers' share of gross claims paid	**40**	122	**95**	175
The Saudi Investment Bank	Murabaha income on term deposit	**51**	-	**176**	-

Balances due from/(to) related parties are comprised of the following:

Related parties	**Nature of balance**	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Al Ahleia Insurance Co. - Kuwait	Reinsurance payables	**(287)**	(186)
Kuwait Reinsurance Company - Kuwait	Reinsurance payables	**(1,207)**	(633)
The Saudi Investment Bank	Term deposit	-	10,038

(a) The compensation of key management personnel during the period is as follows:

	For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)
Salaries and benefits	**2,201**	2,944
Employee benefit obligations	**1,783**	159
Total	**3,984**	3,103

Compensation to key management personnel is on employment terms and as per the By-laws of the Company.

Key management personnel include senior management, department heads and board of directors.

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

18. CAPITAL RISK MANAGEMENT

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

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

As per Article 66 of the Regulations, the Company shall maintain a solvency margin equivalent to the highest of the following three methods:

- Minimum capital requirement;
- Premium solvency margin; or
- Claims solvency margin.

As of June 30, 2026, the Company has declined below the minimum solvency margin as required by the Implementing Regulations of the Cooperative Insurance Companies Control Law. Refer to note 2(c) for the management corrective plan.

19. BASIC AND DILUTED LOSS PER SHARE

Basic and diluted loss per share for the six-month period ended June 30, 2026 and 2025 is calculated by dividing total loss for the period attributable to the shareholders by the weighted average number of outstanding shares during the period.

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Weighted average number of ordinary shares	**50,000**	50,000	**50,000**	50,000
Total loss for the period attributable to the shareholders	(52,629)	(63,694)	(92,194)	(75,612)
Basic and diluted loss per share	(1.05)	(1.27)	(1.84)	(1.51)

20. 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 interim condensed financial information.

The Board of Directors of the Company monitors 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 interim condensed statements of income and comprehensive income and interim condensed 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 assets/liabilities, reinsurance contract assets/liabilities, insurance service results and insurance finance income/expenses. Refer note 4, 11, 12 and 13 for such analysis.

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

21. GROSS WRITTEN PREMIUM

Details relating to gross written premium within insurance revenue are disclosed below to comply with the requirements of Insurance Authority and are not calculated as per the requirements of IFRS 17.

For the three-month period ended June 30, 2026 (Unaudited)

Breakdown of GWP	**Motor**	**Medical**	**Property & casualty**	**Total**
Individual	**149,076**	**105**	**298**	**149,479**
Micro Entities	**5,959**	**20,991**	**5,146**	**32,096**
Small Entities	**17,451**	**6,272**	**6,309**	**30,032**
Medium Entities	**6,603**	**9,966**	**4,495**	**21,064**
Large Organizations	**7,280**	**13,281**	**5,745**	**26,306**
Total	**186,369**	**50,615**	**21,993**	**258,977**

For the three-month period ended June 30, 2025 (Unaudited)

Breakdown of GWP	Motor	Medical	Property & casualty	Total
Individual	193,074	1,330	679	195,083
Micro Entities	2,331	27,170	2,021	31,522
Small Entities	3,570	4,971	3,785	12,326
Medium Entities	14,814	7,690	3,921	26,425
Large Organizations	8,085	6,636	9,493	24,214
Total	221,874	47,797	19,899	289,570

For the six-month period ended June 30, 2026 (Unaudited)

Breakdown of GWP	**Motor**	**Medical**	**Property & casualty**	**Total**
Individual	**345,057**	**4,491**	**368**	**349,916**
Micro Entities	**25,707**	**36,760**	**8,315**	**70,782**
Small Entities	**29,646**	**11,750**	**13,439**	**54,835**
Medium Entities	**23,151**	**15,386**	**11,169**	**49,706**
Large Organizations	**8,858**	**26,048**	**10,944**	**45,850**
Total	**432,419**	**94,435**	**44,235**	**571,089**

For the six-month period ended June 30, 2025 (Unaudited)

Breakdown of GWP	Motor	Medical	Property & casualty	Total
Individual	371,558	6,899	2,256	380,713
Micro Entities	6,206	68,281	5,033	79,520
Small Entities	8,486	13,484	8,704	30,674
Medium Entities	20,765	13,698	9,459	43,922
Large Organizations	22,160	23,110	27,829	73,099
Total	429,175	125,472	53,281	607,928

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

22. NET WRITTEN PREMIUM

Details relating to net written premium within insurance revenue are disclosed below to comply with the requirements of Insurance Authority and are not calculated as per the requirements of IFRS 17.

For the three-month period ended June 30, 2026 (Unaudited)

Item	Motor	Medical	Property & casualty	Total
Gross written premium	**186,369**	**50,615**	**21,993**	**258,977**
Reinsurance premium ceded – Local	**(758)**	**(1,116)**	**(5,063)**	**(6,937)**
Reinsurance premium ceded – Foreign	**(158)**	**(119)**	**(11,357)**	**(11,634)**
Excess of loss expenses	**(5,197)**	**(2,686)**	**(855)**	**(8,738)**
Net written premium - total	**180,256**	**46,694**	**4,718**	**231,668**

For the three-month period ended June 30, 2025 (Unaudited)

Item	Motor	Medical	Property & casualty	Total
Gross written premium	221,874	47,797	19,899	289,570
Reinsurance premium ceded – Local	(725)	(456)	(3,623)	(4,804)
Reinsurance premium ceded – Foreign	(63)	(136)	(12,226)	(12,425)
Excess of loss expenses	(1,635)	(1,181)	(1,145)	(3,961)
Net written premium - total	219,451	46,024	2,905	268,380

For the six -month period ended June 30, 2026 (Unaudited)

Item	Motor	Medical	Property & casualty	Total
Gross written premium	**432,419**	**94,435**	**44,235**	**571,089**
Reinsurance premium ceded – Local	**(1,398)**	**(1,400)**	**(10,742)**	**(13,540)**
Reinsurance premium ceded – Foreign	**(299)**	**(479)**	**(24,632)**	**(25,410)**
Excess of loss expenses	**(6,551)**	**(2,969)**	**(1,679)**	**(11,199)**
Net written premium - total	**424,171**	**89,587**	**7,182**	**520,940**

For the six -month period ended June 30, 2025 (Unaudited)

Item	Motor	Medical	Property & casualty	Total
Gross written premium	429,175	125,472	53,281	607,928
Reinsurance premium ceded – Local	(1,571)	(604)	(11,518)	(13,693)
Reinsurance premium ceded – Foreign	(435)	(2,214)	(33,020)	(35,669)
Excess of loss expenses	(3,269)	(1,485)	(2,295)	(7,049)
Net written premium - total	423,900	121,169	6,448	551,517

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

23. SUPPLEMENTARY INFORMATION

Interim condensed statement of financial position

	June 30, 2026 (Unaudited)			December 31, 2025 (Audited)		
	Insurance operations	**Shareholders' operations**	**Total**	Insurance operations	Shareholders' operations	Total
ASSETS						
Cash and cash equivalents	**114,127**	**16,204**	**130,331**	93,387	1,601	94,988
Term deposits	**160,659**	**46,770**	**207,429**	247,923	60,986	308,909
Financial assets at fair value	**-**	**206,903**	**206,903**	-	232,783	232,783
Financial assets at amortized cost	**269,145**	**68,468**	**337,613**	267,703	72,130	339,833
Prepaid expenses and other assets	**27,113**	**537**	**27,650**	57,186	-	57,186
Insurance contract assets	**3,171**	**-**	**3,171**	407	-	407
Reinsurance contract assets	**56,825**	**-**	**56,825**	90,977	-	90,977
Right-of-use assets	**14,015**	**-**	**14,015**	4,530	-	4,530
Property and equipment	**4,063**	**-**	**4,063**	4,911	-	4,911
Intangible assets	**9,508**	**-**	**9,508**	11,583	-	11,583
Accrued income on statutory deposit	**-**	**1,862**	**1,862**	-	586	586
Goodwill	**-**	**4,497**	**4,497**	-	4,497	4,497
Statutory deposit	**-**	**50,000**	**50,000**	-	50,000	50,000
Due from shareholders'/insurance operations	**20,878**	**-**	**20,878**	-	40,056	40,056
Total assets	**679,504**	**395,241**	**1,074,745**	778,607	462,639	1,241,246
Less: inter-operation elimination	**(20,878)**	**-**	**(20,878)**	-	(40,056)	(40,056)
TOTAL ASSETS	**658,626**	**395,241**	**1,053,867**	778,607	422,583	1,201,190

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

23. SUPPLEMENTARY INFORMATION (Continued)

Interim condensed statement of financial position (Continued)

	June 30, 2026 (Unaudited)			December 31, 2025 (Audited)		
	Insurance operations	**Shareholders' operations**	**Total**	Insurance operations	Shareholders' operations	Total
LIABILITIES						
Accrued and other liabilities	**17,004**	**2,019**	**19,023**	10,325	2,988	13,313
Insurance contract liabilities	**621,002**	**-**	**621,002**	701,974	-	701,974
Reinsurance contract liabilities	**4,815**	**-**	**4,815**	97	-	97
Employee benefit obligations	**22,422**	**-**	**22,422**	23,378	-	23,378
Lease liabilities	**14,765**	**-**	**14,765**	3,281	-	3,281
Zakat and income tax payable	**-**	**12,587**	**12,587**	-	8,976	8,976
Accrued income payable to Insurance Authority	**-**	**1,862**	**1,862**	-	586	586
Due to shareholders'/insurance operations	**-**	**20,878**	**20,878**	40,056	-	40,056
Total liabilities	**680,008**	**37,346**	**717,354**	779,111	12,550	791,661
Less: interoperation elimination	**-**	**(20,878)**	**(20,878)**	(40,056)	-	(40,056)
Total liabilities	**680,008**	**16,468**	**696,476**	739,055	12,550	751,605
Equity						
Share capital	**-**	**500,000**	**500,000**	-	500,000	500,000
Accumulated losses	**-**	**(212,904)**	**(212,904)**	-	(162,072)	(162,072)
Statutory reserve	**-**	**-**	**-**	-	41,362	41,362
Fair value reserve	**-**	**70,799**	**70,799**	-	70,799	70,799
Remeasurement reserve of employee benefit obligations	**(504)**	**-**	**(504)**	(504)	-	(504)
Total equity	**(504)**	**357,895**	**357,391**	(504)	450,089	449,585
TOTAL LIABILITIES AND EQUITY	**679,504**	**374,363**	**1,053,867**	738,551	462,639	1,201,190

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

23. SUPPLEMENTARY INFORMATION (Continued)

Interim Condensed Statement of income (Unaudited)

	For the three-month period ended June 30, 2026			For the three-month period ended June 30, 2025		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Insurance revenue	301,725	-	301,725	317,227	-	317,227
Insurance service expenses	(327,970)	-	(327,970)	(365,384)	-	(365,384)
Net expenses from reinsurance contracts	(37,283)	-	(37,283)	(19,266)	-	(19,266)
Insurance services result from company's directly written business	(63,528)	-	(63,528)	(67,423)	-	(67,423)
Share of surplus from insurance pool	6,998	-	6,998	2,296	-	2,296
Total Insurance service result	(56,530)	-	(56,530)	(65,127)	-	(65,127)
Murabaha income from financial assets not measured at FVTPL	5,839	1,274	7,113	8,364	2,608	10,972
Net loss on financial assets measured at FVTPL	-	(3,246)	(3,246)	-	(8,804)	(8,804)
Other investment revenue / dividend income	640	1,432	2,072	251	1,812	2,063
Net impairment reversal / (loss) on financial assets	1	1	2	(103)	7	(96)
Net investment income	6,480	(539)	5,941	8,512	(4,377)	4,135
Finance income from insurance contracts issued	66	-	66	436	-	436
Finance income from reinsurance contracts held	393	-	393	105	-	105
Net insurance finance income	459	-	459	541	-	541
Net insurance and investment result	(49,591)	(539)	(50,130)	(56,074)	(4,377)	(60,451)
Other operating expenses	(1,908)	525	(1,383)	(1,798)	(809)	(2,607)
Finance costs on lease liabilities	(200)	-	(200)	(51)	-	(51)
Other income	102	-	102	1,665	-	1,665
Total loss for the period before zakat and income tax	(51,597)	(14)	(51,611)	(56,258)	(5,186)	(61,444)
Zakat and income tax expense	-	(1,018)	(1,018)	-	(2,250)	(2,250)
Net loss from operations	(51,597)	(1,032)	(52,629)	(56,258)	(7,436)	(63,694)
Loss transfer to shareholders	51,597	(51,597)	-	56,258	(56,258)	-
NET LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	-	(52,629)	(52,629)	-	(63,694)	(63,694)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

23. SUPPLEMENTARY INFORMATION (Continued)

Interim Condensed Statement of income (Unaudited) (Continued)

	For the six-month period ended June 30, 2026			For the six-month period ended June 30, 2025		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Insurance revenue	603,164	-	603,164	605,544	-	605,544
Insurance service expenses	(653,977)	-	(653,977)	(652,815)	-	(652,815)
Net expenses from reinsurance contracts	(56,857)	-	(56,857)	(46,612)	-	(46,612)
Insurance services result from company's directly written business	(107,670)	-	(107,670)	(93,883)	-	(93,883)
Share of surplus from insurance pool	6,998	-	6,998	5,353	-	5,353
Total insurance service result	(100,672)	-	(100,672)	(88,530)	-	(88,530)
Murabaha income from financial assets not measured at FVTPL	11,268	2,895	14,163	16,349	5,492	21,841
Net loss on financial assets measured at FVTPL	-	(1,851)	(1,851)	-	(3,761)	(3,761)
Other investment revenue / dividend income	1,110	1,932	3,042	502	2,402	2,904
Net impairment reversal / (loss) on financial assets	14	-	14	(190)	8	(182)
Net investment income	12,392	2,976	15,368	16,661	4,141	20,802
Finance income / (expense) from insurance contracts issued	986	-	986	(648)	-	(648)
Finance income from reinsurance contracts held	264	-	264	273	-	273
Net insurance finance (expense)	1,250	-	1,250	(375)	-	(375)
Net insurance and investment result	(87,030)	2,976	(84,054)	(72,244)	4,141	(68,103)
Other operating expenses	(3,728)	(251)	(3,979)	(3,813)	(1,562)	(5,375)
Finance costs on lease liabilities	(237)	-	(237)	(127)	-	(127)
Other income	94	-	94	3,709	-	3,709
Total (loss) / profit for the period before zakat and income tax	(90,901)	2,725	(88,176)	(72,475)	2,579	(69,896)
Zakat and income tax expense	-	(4,018)	(4,018)	-	(5,716)	(5,716)
Net loss from operations	(90,901)	(1,293)	(92,194)	(72,475)	(3,137)	(75,612)
Loss transfer to shareholders	90,901	(90,901)	-	72,475	(72,475)	-
NET LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	-	(92,194)	(92,194)	-	(75,612)	(75,612)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

23. SUPPLEMENTARY INFORMATION (Continued)

Interim condensed statement of comprehensive income (Unaudited)

	For the three month period ended June 30, 2026			For the three month period ended June 30, 2025		
	Insurance operations	**Shareholders' operations**	**Total**	Insurance operations	Shareholders' operations	Total
NET LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	-	**(52,629)**	**(52,629)**	-	(63,694)	(63,694)
Other comprehensive income:						
Items that will not be reclassified to interim condensed statement of income in subsequent periods						
Net changes in fair value of investments measured at FVOCI	-	-	-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	-	**(52,629)**	**(52,629)**	-	(63,694)	(63,694)

	For the six-months period ended June 30, 2026			For the six-months period ended June 30, 2025		
	Insurance operations	**Shareholders' operations**	**Total**	Insurance operations	Shareholders' operations	Total
NET LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	-	**(92,194)**	**(92,194)**	-	(75,612)	(75,612)
Other comprehensive income:						
Items that will not be reclassified to interim condensed statement of income in subsequent periods						
Net changes in fair value of investments measured at FVOCI	-	-	-	-	2,508	2,508
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS	-	**(92,194)**	**(92,194)**	-	(73,104)	(73,104)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

23. SUPPLEMENTARY INFORMATION (Continued)

Interim condensed statement of cash flows (Unaudited)

	For the six-month period ended June 30, 2026			For the six-month period ended June 30, 2025		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Total loss for the period before zakat and income tax	-	(88,176)	(88,176)	-	(69,896)	(69,896)
Adjustments for non-cash items:						
Depreciation of property and equipment	981	-	981	1,208	-	1,208
Amortization of intangible assets	2,075	-	2,075	1,875	-	1,875
Depreciation charge of right-of-use assets	1,762	-	1,762	1,733	-	1,733
Impairment reversal on investment at amortized cost	-	-	-	-	(2)	(2)
Net impairment reversal on fixed income deposits	(16)	(1)	(17)	(14)	(6)	(20)
Net loss on investments at fair value through profit or loss	-	1,800	1,800	-	3,761	3,761
Net loss on disposal of investment at amortized cost	-	51	51	-	(21)	(21)
Income on sukuks	(1,501)	240	(1,261)	(1,830)	(21)	(1,851)
Finance costs on lease liabilities	237	-	237	127	-	127
Accrued sukuk income on investment at amortized cost	59	47	106	(144)	640	496
Accrued sukuk income on investment through profit or loss	-	111	111	-	2	2
Accrued murabaha income	1,278	(782)	496	3,209	(579)	2,630
Provision for employees end-of-service indemnities	2,397	-	2,397	2,486	-	2,486
Changes in operating assets and liabilities:						
Prepaid expenses and other assets	30,073	(537)	29,536	(21,267)	(637)	(21,904)
Insurance contract assets	(2,764)	-	(2,764)	(33,649)	-	(33,649)
Reinsurance contract assets	34,152	-	34,152	(9,778)	-	(9,778)
Accrued income on statutory deposit	-	(1,276)	(1,276)	-	(1,071)	(1,071)
Accrued and other liabilities	6,679	(969)	5,710	1,571	(825)	746
Insurance contract liabilities	(80,972)	-	(80,972)	(1,139)	-	(1,139)
Reinsurance contract liabilities	4,718	-	4,718	9,119	-	9,119
Accrued income payable to Authority	-	1,276	1,276	-	1,072	1,072
Due from insurance operations	-	40,056	40,056	-	48,164	48,164
Due to insurance operations	-	20,878	20,878	-	-	-
Due from shareholders' operations	(20,878)	-	(20,878)	-	-	-
Due to shareholders' operations	(40,056)	-	(40,056)	(48,164)	-	(48,164)
	(61,776)	(27,282)	(89,058)	(94,657)	(19,419)	(114,076)
Employee benefit obligations paid	(3,353)	-	(3,353)	(522)	-	(522)
Zakat and income tax paid	-	(407)	(407)	-	(10,250)	(10,250)
Net cash used in operating activities	(65,129)	(27,689)	(92,818)	(95,179)	(29,669)	(124,848)

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

23. SUPPLEMENTARY INFORMATION (Continued)

Interim condensed statement of cash flows (Unaudited) (Continued)

	For the six-months period ended June 30, 2026			For the six-months period ended June 30, 2025		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
CASH FLOWS FROM INVESTING ACTIVITIES						
Payment against purchase of investments at amortized cost	-	-	-	(20,999)	-	(20,999)
Proceed from redemption of investments at amortized cost	-	3,324	3,324	1,999	23,194	25,193
Payment against purchase of financial assets at FVTPL	-	(34,600)	(34,600)	-	(21,682)	(21,682)
Proceed from sale of financial assets at FVTPL	-	58,569	58,569	-	21,020	21,020
Net movement in term deposits	86,001	15,000	101,001	91,511	31,739	123,250
Addition to property and equipment	(133)	-	(133)	(147)		(147)
Addition to Intangible Assets	-	-	-	(167)	-	(167)
Net cash generated from investing activities	85,868	42,293	128,161	72,197	54,271	126,468
CASH FLOWS FROM FINANCING ACTIVITIES						
Dividend paid	-	-	-	-	(30,000)	(30,000)
Net cash used in financing activities	-	-	-	-	(30,000)	(30,000)
Net change in cash and cash equivalents	20,739	14,604	35,343	(22,982)	(5,398)	(28,380)
Cash and cash equivalents, beginning of the period	93,388	1,600	94,988	75,857	30,210	106,067
CASH AND CASH EQUIVALENTS, AT THE END OF THE PERIOD	114,127	16,204	130,331	52,875	24,812	77,687
Supplemental non-cash information:						
Transfer from statutory reserve to accumulated losses	-	41,362	41,362	-	-	-

(All amounts expressed in Saudi Riyals (⃁) thousands unless otherwise stated)

24. SENSITIVITY OF ASSUMPTIONS

The risks under insurance contracts and the risk management policies are consistent with those as disclosed in the annual financial statements for the year ended December 31, 2025. The Company believes that the claim liabilities under insurance contracts outstanding at the reporting period below are adequate. However, these amounts are not certain and actual payments may differ from the claim's liabilities provided in the interim condensed financial information. The insurance results are sensitive to various assumptions. It has not been possible to quantify the sensitivity specific variable such as legislative changes or uncertainties in the estimation process.

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Liability for incurred claims		
Estimates of present value of FCF	**336,808**	359,274
Risk adjustment for non-financial risk	**12,450**	12,520
Asset for incurred claims		
Estimates of present value of FCF	**43,692**	57,214
Risk adjustment for non-financial risk	**2,243**	2,982

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

	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
	Impact on profit before zakat and income tax	Impact on profit before zakat and income tax
Change in risk adjustment for non-financial risk		
5 percentiles increase in the confidence level	**(3,376)**	(3,830)
5 percentiles decrease in the confidence level	**3,081**	3,393

Following are the sensitivities derived for the portfolios computed under PAA approach for the reinsurance contracts held:

	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
	Impact on profit before zakat and income tax	Impact on profit before zakat and income tax
Change in risk adjustment for non-financial risk		
5 percentiles increase in the confidence level	**612**	1,195
5 percentiles decrease in the confidence level	**(542)**	(1,066)

25. TRANSFER OF STATUTORY RESERVE

On Shawwal 28, 1447 corresponding to April 16, 2026, Board of Directors have resolved to recommend to the general assembly the use of entire statutory reserve amounting to ⃁ 41.36 million to offset part of Company's accumulated losses. This recommendation was approved by insurance authority dated May 3, 2026 and by the shareholders dated June 3, 2026 in extra ordinary general meeting.

26. SUBSEQUENT EVENTS

Subsequent to the six-month period ended June 30 2026, Insurance Authority (IA) issued a circular approving an amendment to Article 58 of the Implementing Regulations. Under the amended regulation, insurance companies are entitled to the earnings generated from statutory deposits, provided that a no-objection is obtained from the IA prior to investing such deposits.

Except for the matter disclosed above, no other events have arisen subsequent to June 30, 2026, and up to the date of approval of this interim condensed financial information, that could have a significant effect on the interim condensed financial information as at and for the period ended June 30, 2026.

27. APPROVAL OF THE INTERIM CONDENSED FINANCIAL INFORMATION

This interim condensed financial information has been approved by the Board of Directors on Safar 20, 1448H, corresponding to August 3, 2026.