GULF INSURANCE GROUP
(A Saudi Joint Stock Company)

INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2026 (UNAUDITED)
TOGETHER WITH INDEPENDENT AUDITORS' REVIEW REPORT

PUBLIC

GULF INSURANCE GROUP
(A Saudi Joint Stock Company)
INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2026
(UNAUDITED)

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PUBLIC

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INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

TO THE SHAREHOLDERS OF GULF INSURANCE GROUP (A SAUDI JOINT STOCK COMPANY)

INTRODUCTION

We have reviewed the accompanying interim condensed financial information of Gulf Insurance Group (a Saudi Joint Stock Company) (the "Company") which comprises the interim condensed statement of financial position as at 30 September 2026, the interim condensed statements of income and comprehensive income for the three-month and nine-month periods then ended, the interim condensed statements of changes in equity and cash flows for the nine-month period ended 30 September 2026, and the notes to the interim condensed financial information.

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2026 interim condensed financial information of the Company is not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

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INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

TO THE SHAREHOLDERS OF GULF INSURANCE GROUP (A SAUDI JOINT STOCK COMPANY) (CONTINUED)

OTHER MATTER

The interim condensed financial information of Gulf Insurance Group (a Saudi Joint Stock Company) (the "Company") for the three-month and nine-month periods ended 30 September 2025, were reviewed by other joint auditor who expressed an unmodified conclusion on that interim condensed financial information on 9 November 2025 (corresponding to 18 Jumada al-Ula 1447H). Furthermore, the financial statements of the Company as at and for the year ended 31 December 2025 were audited by other joint auditor who expressed an unmodified opinion on those financial statements on 02 March 2026 (corresponding to 13 Ramadan 1447H).

KPMG Professional Services Company

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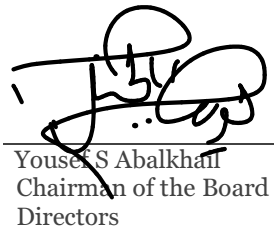
Mohammad Abdulmajeed Mohandes
Certified Public Accountant
License No. 564

Riyadh on 08 November 2026
Corresponding to: 28 Jumada al-Awwal 1448H

GULF INSURANCE GROUP
(A Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	30 September 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
Cash and cash equivalents	4	**332,651**	90,467
Short-term deposits	5	**345,458**	273,809
Reinsurance contract assets	7,14	**381,162**	411,624
Investments	6	**2,029,974**	1,899,250
Prepaid expenses and other assets	9	**56,775**	53,710
Accrued income on statutory deposit		**811**	1,599
Deferred tax assets		**8,015**	4,214
Long-term deposits	5	**167,214**	147,058
Right-of-use assets		**21,537**	24,185
Furniture and equipment		**4,339**	5,115
Intangible assets		**19,123**	22,747
Goodwill	21	**50,000**	50,000
Statutory deposit		**52,500**	52,500
TOTAL ASSETS		**3,469,559**	3,036,278
LIABILITIES AND EQUITY			
Accrued expenses and other liabilities		**67,904**	88,557
Insurance contract liabilities	7,14	**2,042,244**	1,604,746
Reinsurance contract liabilities	7,14	**10,194**	2,314
Lease liabilities		**20,408**	23,999
Employee benefit obligations		**30,979**	29,883
Zakat and income tax	17	**88,273**	83,696
Accrued income payable on statutory deposit		**3,737**	1,599
TOTAL LIABILITIES		**2,263,739**	1,834,794
EQUITY			
Share capital	8	**525,000**	525,000
Statutory reserve	18	**190,444**	190,444
Retained earnings		**476,412**	437,070
Fair value reserve on investments		**13,964**	48,970
TOTAL EQUITY		**1,205,820**	1,201,484
TOTAL LIABILITIES AND EQUITY		**3,469,559**	3,036,278

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



Yousef S Abalkhail
Chairman of the Board of Directors



Khalid Al Shuwaier
Chief Executive Officer



Babar Ali Khan
Chief Financial Officer

GULF INSURANCE GROUP
(A Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF INCOME
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	For the three-month period ended 30 September 2026 (Unaudited)	2025 (Unaudited)	For the nine-month period ended 30 September 2026 (Unaudited)	2025 (Unaudited)
Insurance revenue	14	**567,341**	381,958	**1,468,310**	1,108,716
Insurance service expenses	14	**(497,402)**	(298,421)	**(1,191,519)**	(882,983)
Net expense from reinsurance contracts held	14	**(39,588)**	(63,757)	**(167,812)**	(136,420)
Insurance service result from Company's directly written business		**30,351**	19,780	**108,979**	89,313
Share of surplus from insurance pools	11	**-**	8,078	**10,210**	10,003
Total insurance service result		**30,351**	27,858	**119,189**	99,316
Interest income using effective interest method	16	**27,235**	23,804	**76,694**	71,600
Other investment (loss) / income	16	**(18,187)**	4,831	**(25,763)**	3,683
Investment return		**9,048**	28,635	**50,931**	75,283
Net finance expenses from insurance contracts issued	10	**(2,300)**	(609)	**(16,094)**	(36,641)
Net finance income from reinsurance contracts held	10	**999**	428	**6,507**	10,756
Net insurance financial result		**(1,301)**	(181)	**(9,587)**	(25,885)
Other operating expenses		**(10,816)**	(8,992)	**(31,673)**	(30,647)
Other income		**171**	-	**197**	878
Total income for the period before zakat and income tax		**27,453**	47,320	**129,057**	118,945
Zakat expense	17	**(6,239)**	(8,266)	**(14,686)**	(10,260)
Income tax expense	17	**(1,987)**	(4,621)	**(12,676)**	(13,020)
Total zakat and income tax expense		**(8,226)**	(12,887)	**(27,362)**	(23,280)
Total income for the period attributable to the shareholders		**19,227**	34,433	**101,695**	95,665
Earnings per share (expressed in Saudi Riyals per share)					
Basic and diluted earnings per share	20	**0.37**	0.66	**1.94**	1.82

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

Yousef S Abanumay Chairman of the Board of Directors	Khalid Al Shuwaier Chief Executive Officer	Babar Ali Khan Chief Financial Officer

GULF INSURANCE GROUP
(A Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	For the three-month period ended 30 September 2026 (Unaudited)	2025 (Unaudited)	For the nine-month period ended 30 September 2026 (Unaudited)	2025 (Unaudited)
Total income for the period attributable to the shareholders		**19,227**	34,433	**101,695**	95,665
Other comprehensive income					
Items that will not be reclassified to interim condensed statement of income in subsequent periods					
Remeasurement gain / (loss) on employee benefit obligations		**318**	(706)	**647**	(414)
Net changes in fair value of investments measured at FVOCI (equity instruments)	6	**-**	-	**-**	2,510
Items that will be reclassified to interim condensed statement of income in subsequent periods					
Net changes in fair value of investments measured at FVOCI (debt instruments) net of deferred tax	6	**(23,975)**	5,622	**(35,006)**	41,426
Total other comprehensive (loss) / income		**(23,657)**	4,916	**(34,359)**	43,522
Total comprehensive (loss) / income for the period attributable to the shareholders		**(4,430)**	39,349	**67,336**	139,187

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

Yousef S Abalkhail Chairman of the Board of Directors	Khalid Al Shuwaier Chief Executive Officer	Babar Ali Khan Chief Financial Officer

GULF INSURANCE GROUP
(A Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	Share capital	Statutory reserve	Retained earnings	Fair value reserve on investments	Total
At 1 January 2026 (Audited)		**525,000**	**190,444**	**437,070**	**48,970**	**1,201,484**
Total comprehensive income for the period						
Total income for the period attributable to the shareholders		-	-	**101,695**	-	**101,695**
Remeasurement gain on employee benefit obligations		-	-	**647**	-	**647**
Net changes in fair value of the investments measured at FVOCI	6	-	-	-	**(35,006)**	**(35,006)**
Total comprehensive income for the period attributable to the shareholders		-	-	**102,342**	**(35,006)**	**67,336**
Dividends	23	-	-	**(63,000)**	-	**(63,000)**
At 30 September 2026 (Unaudited)		**525,000**	**190,444**	**476,412**	**13,964**	**1,205,820**
At 1 January 2025 (Audited)		525,000	165,206	399,401	350	1,089,957
Total comprehensive income for the period						
Total income for the period attributable to the shareholders		-	-	95,665	-	95,665
Remeasurement loss on employee benefit obligations		-	-	(414)	-	(414)
Net changes in fair value of the investments measured at FVOCI	6	-	-	-	43,936	43,936
Total comprehensive income for the period attributable to the shareholders		-	-	95,251	43,936	139,187
Dividends	23	-	-	(63,000)	-	(63,000)
At 30 September 2025 (Unaudited)		525,000	165,206	431,652	44,286	1,166,144

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

Yousef S Albalkhail	Khalid Al Shuwaier	Babar Ali Khan
Chairman of the Board of Directors	Chief Executive Officer	Chief Financial Officer

PUBLIC

GULF INSURANCE GROUP
(A Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF CASH FLOWS
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	For the nine-month period ended 30 September 2026 (Unaudited)	2025 (Unaudited)
Cash flows from operating activities			
Total income for the period before zakat and income tax		**129,057**	118,945
Adjustments for non-cash items:			
Depreciation of furniture and equipment		**1,857**	2,713
Depreciation of right-of-use assets		**2,648**	2,444
Amortisation of intangible assets		**6,962**	6,039
Finance cost on leases		**1,001**	1,016
Accretion of discount on financial assets at FVOCI		**(6,350)**	(6,449)
Unrealised loss / (gain) on financial assets at FVTPL		**30,111**	(4,408)
Realized gain on disposal of financial assets at FVOCI		**(70)**	(21)
Amortisation of premium on financial assets at FVOCI		**1,565**	1,578
Realized (gain) / loss on disposal on financial assets at FVTPL		**(100)**	3,445
Impairment / (reversal) of losses on financial assets at FVOCI		**3,216**	(227)
Reversal of ECL on term deposits		**(6)**	(9)
Net finance expenses from insurance contracts issued	10	**16,094**	36,641
Net finance income from reinsurance contracts held	10	**(6,507)**	(10,756)
Employee benefit obligations		**3,622**	3,846
Changes in operating assets and liabilities:			
Reinsurance contract assets		**36,969**	(25,412)
Prepaid expenses and other assets		**(3,065)**	(8,917)
Accrued income on statutory deposit		**788**	(639)
Accrued income on short-term deposit		**(7,947)**	(7,256)
Accrued income on long-term deposit		**(158)**	(581)
Accrued expenses and other liabilities		**(20,653)**	(61,785)
Insurance contract liabilities, net		**429,284**	(48,393)
Due to related parties		**-**	3,246
Accrued income payable on statutory deposit		**2,138**	639
Cash generated from operations		**620,456**	5,699
Employee benefit obligations paid		**(1,879)**	(2,281)
Zakat and income tax paid		**(22,868)**	(19,522)
Net cash inflow / (outflow) from operating activities		**595,709**	(16,104)

(Continued)

GULF INSURANCE GROUP
(A Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF CASH FLOWS (continued)
(All amounts expressed in Saudi Riyals thousands unless otherwise stated)

	Notes	For the nine-month period ended 30 September 2026 (Unaudited)	2025 (Unaudited)
Cash flows from investing activities			
Redemption in short-term deposits		**98,670**	137,971
Placement of short-term deposits		**(162,364)**	-
Payments for purchases of investments		**(296,408)**	(269,061)
Proceeds from sale / maturity of investments		**98,588**	219,839
Redemption of long-term deposits		**-**	50,000
Placement of long-term deposits		**(20,000)**	(90,000)
Payments for purchases of furniture and equipment		**(1,081)**	(3,184)
Payments for additions to intangible assets		**(3,338)**	(7,352)
Net cash (outflow) / inflow from investing activities		**(285,933)**	38,213
Cash flows from financing activities			
Dividends paid	23	**(63,000)**	(63,000)
Payment against principal portion of lease liabilities		**(3,591)**	(2,984)
Payment against interest portion of lease liabilities		**(1,001)**	(1,016)
Net cash outflow from financing activities		**(67,592)**	(67,000)
Net increase / (decrease) in cash and cash equivalents		**242,184**	(44,891)
Cash and cash equivalents at the beginning of the period		**90,467**	155,909
Cash and cash equivalents at end of the period		**332,651**	111,018
Supplemental non-cash financial information			
Changes in fair value of financial assets at FVOCI		**(38,724)**	43,936

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

Yousef S Abalkhail Chairman of the Board of Directors	Khalid Al Shuwaier Chief Executive Officer	Babar Ali Khan Chief Financial Officer

1. General information - legal status and principal activities

Gulf Insurance Group, a Saudi joint stock company (the "Company"), was formed pursuant to Royal Decree No. M/36 dated 27 Jumada II 1429H (corresponding to 1 July 2008). The Company was incorporated vide Ministerial Order number Q/192, dated 10 Jumada II 1430H, (corresponding to 3 September 2009). The Company is registered in the Kingdom of Saudi Arabia under Commercial Registration ("CR") number 1010271203 issued in Riyadh on 20 Rajab, 1430H (corresponding to 13 July 2009). The Company's registered address is P.O. Box 753, Riyadh 11421, Kingdom of Saudi Arabia.

The purpose of the Company is to transact cooperative insurance operations and all related activities including reinsurance activities in accordance with the Law on Supervision of Cooperative Insurance Companies (the "Law"), the Company's by-laws and other regulations promulgated in the Kingdom of Saudi Arabia. Its principal lines of business include health, motor, marine, property, engineering, accident and liability and protection insurance. The Company obtained license from the Saudi Arabian Monetary Authority ("SAMA") to practice general and health insurance and reinsurance business in the Kingdom of Saudi Arabia vide license number TMN/25/20101, dated 11 Safar 1431H (corresponding to 26 January 2010). The Company commenced insurance operations on 4 Rabi' I 1431H (corresponding to 18 February 2010).

The Company operates through multiple branches located in the Kingdom of Saudi Arabia. Following are the CR numbers of these branches:

Branch type	Location	CR number
Head Office	Riyadh	1010271203
Regional Branch	Khobar	2051044972
Regional Branch	Jeddah	4030209279

Impact of geopolitical disruptions

During the nine-month period ended 30 September 2026, geopolitical developments in the Middle East have led to increased security tensions, economic uncertainty and volatility in regional trade, supply chains and financial markets, potentially affecting the Company's operations, investments and credit risk exposures.

Management has evaluated the impact of these developments on the credit risk profile of financial instruments, including expected credit losses ("ECL"), considering counterparty exposures, prevailing economic conditions and potential changes in credit risk and underlying assumptions. Management has considered the best estimate in calculating case reserves forming part of the liability for incurred claims under insurance contract liabilities. Since the Company does not provide coverage for political violence or war-related risks, no significant claims are expected to arise from the ongoing geopolitical disruptions. As of the date of approval of this interim condensed financial information, the Company's operations have not experienced any significant disruption, and no related claims have been reported. Further, the Company has not experienced any difficulties in reinsurance recoveries neither have any reinsurance covers been cancelled.

Furthermore, geopolitical developments have contributed to financial market volatility, affecting the valuations of investments held by the Company. Management has considered prevailing market conditions, including changes in market yields, credit spreads and other relevant valuation inputs, in determining the fair value of investments as at 30 September 2026. The resulting fair value movements have been recognised in accordance with applicable financial reporting requirements and reflected in the relevant investment disclosures.

Subsequent to the period ended 30 September 2026, geopolitical developments in the region have continued to evolve, contributing to ongoing economic uncertainty and potentially affecting credit, liquidity and operational risks. However, the potential financial impact of such situation is uncertain as the situation is still evolving, and therefore the Company will continue to assess the impact on a regular basis as more reliable data becomes available and accordingly determine if any adjustments to insurance and reinsurance reserves or ECL are required in subsequent reporting periods.

2. Basis of preparation

(a) Statement of compliance

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

As required by the Saudi Arabian Insurance Regulations, the Company maintains separate books of accounts for insurance operations and shareholders' operations. Assets, liabilities, revenues and expenses clearly attributable to either activity are recorded in the respective accounts. The basis of allocation of expenses from joint operations is determined and approved by management.

In accordance with the requirements of Implementing Regulation for Co-operative Insurance Companies (the "Regulations") issued by the Insurance Authority, 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. Surplus entitled to the policyholders is part of insurance service expenses.

The Regulations require the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders' operations.

In preparing the Company's financial information in compliance with IAS 34 as endorsed in the Kingdom of Saudi Arabia, the balances and transactions of the insurance operations are amalgamated and combined with those of the shareholders' operations. Interoperation balances, transactions and unrealised 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 31 December 2025.

(c) Basis of presentation

The interim condensed financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2025.

The Company's 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, short term deposits, prepaid expenses and other assets, accrued income on statutory deposit, financial assets at FVTPL, accrued expenses and other liabilities, zakat and income tax and accrued income payable on statutory deposit. The following balances would generally be classified as non-current: long term deposits, furniture and equipment, right-of-use assets, goodwill, intangible assets, statutory deposit, deferred tax asset and employee benefit obligations. The balances which are of mixed nature i.e. include both current and non-current portions include financial assets at FVOCI, insurance contract liabilities, reinsurance contract assets, reinsurance contract liabilities and lease liabilities.

(d) Functional and presentation currency

This interim condensed financial information is expressed in Saudi Arabian Riyals ("Saudi Riyals") which is the functional and presentation currency of the Company.

2. Basis of preparation (continued)

(e) 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.

3. Material accounting policy information

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

3.1 New standards, amendments and interpretations

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

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7.
- Annual improvements to IFRS - 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.

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

- IFRS 18 - Presentation and Disclosure in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures
- Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency

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

(i) IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements and applies for reporting periods beginning on or after 1 January 2027. The Company has not early adopted the new accounting standard in preparing these interim financial statements.

The Company is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its financial statements.

IFRS 18 introduces new requirements for the presentation and disclosure of information in the financial statements and carries forward many requirements from IAS 1 unchanged. It does not change the recognition and measurement requirements of other IFRS Accounting Standards. Accordingly, neither profit for the period nor total equity are expected to change as a result of the Company's adoption of IFRS 18; however, the structure of the primary financial statements and a number of disclosures in the notes will change, and comparative information will be subject to required changes.

3. Material accounting policy information (continued)

3.1 New standards, amendments and interpretations (continued)

(i) IFRS 18 Presentation and Disclosure in Financial Statements (continued)

The Company has performed an initial internal gap assessment of the estimated impact that the initial application of IFRS 18 will have on its financial statements. The principal expected effects, based on the information currently available, are set out below. The assessment remains subject to change as the Company completes its implementation programme and as further interpretive and regulatory guidance develops.

(a) Structure of the statement of Income

IFRS 18 requires entities to classify all income and expenses into categories in the statement of Income – namely operating, investing, financing, zakat and income tax and discontinued operations. Classification of income and expenses depends on the main business activities of an entity. The Company has determined that its main business activity is insurance within the scope of IFRS 17 "Insurance Contracts".

Neither net profit nor net assets are expected to significantly change as a result of the Company's adoption of IFRS 18. The Company will be required to present two newly defined subtotals, which are 'operating profit' and 'profit or loss before financing and income taxes', However, operating profit subtotal differs from the current operating profit subtotal presented by the Company. Based on the information currently available, the Company expects changes to the current structure of the statement of profit or loss to result from the following:

- All amounts recognised under IFRS 17 — insurance revenue, insurance service expenses, net income or expenses from reinsurance contracts held (together, the insurance service result) and insurance finance income and expenses — will be classified in the operating category. Insurance finance income and expenses are specifically excluded from the financing category.

- Income and expenses from investments held to back insurance liabilities and shareholder funds — including interest income, dividend income, realised and unrealised fair value gains and losses, and expected credit losses and reversals — which are currently presented separately from the net insurance result, may be classified in the operating category because investing in assets is related to the main business activity of the Company. However, the Company continues to assess whether investing in certain assets, including financial assets, also constitutes a specified main business activity for the Company. Incremental costs directly attributable to the acquisition or disposal of these investments will follow the same classification.

- The Company's share of surplus from insurance pools will be presented within the operating category and included in operating profit.

b) Presentation and disaggregation of operating expenses:

IFRS 18 requires an entity to present operating expenses in a way that provides a useful structured summary of its expenses, classified either by nature, by function, or on a mixed basis. Insurance service expenses presented in accordance with IFRS 17 constitute presentation by function. Because the Company presents expenses by function on the face of the statement of Income, it will be required to disclose in a single note the amounts of specified expenses by nature included within each functional line item. The Company is currently working on developing the required disclosure.

3. Material accounting policy information (continued)

3.1 New standards, amendments and interpretations (continued)

(i) IFRS 18 Presentation and Disclosure in Financial Statements (continued)

c) 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 users, management's view of an aspect of the financial performance of the Company.

The Company will be required to disclose specific information about MPMs in a single note in the financial statements, comprising:

- a description of the aspect of financial performance that the measure communicates and why management believes the measure provides useful information for the users of financial statements.
- a short description of how the measure is calculated.
- a reconciliation between the measure and the most directly comparable subtotal or total specified by IFRS 18 or required by IFRS, including the income zakat/tax effect for each reconciling item.
- a statement that the measure reflects management's view and is not necessarily comparable with measures with similar labels used by other entities.

The Company is in process of determining which public communications should be considered when identifying MPMs.

MPMs relate to the same reporting period as the financial statements. Accordingly, the MPMs to be disclosed by the Company upon adoption of IFRS 18 will be identified based on public communications relating to the 2027 interim reporting period.

d) Principles of aggregation and disaggregation

IFRS 18 introduces enhanced principles regarding the aggregation and disaggregation of 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. The Company is assessing the grouping of items on the basis of similar and dissimilar characteristics. Based on this assessment, it will present line items in the primary financial statements that provide useful structured summaries and disclose additional material information in the notes.

The Company is also assessing line items currently labelled as 'other' and will use more informative labels.

In addition, IFRS 18 may require changes to certain line-item descriptions, subtotals and disclosures currently presented in the statement of income. The assessment remains subject to completion of the Company's implementation activities and any future interpretative or regulatory developments.

3. Material accounting policy information (continued)

3.1 New standards, amendments and interpretations (continued)

(i) IFRS 18 Presentation and Disclosure in Financial Statements (continued)

e) Consequential amendments

Statement of cash flows (IAS 7)

IFRS 18 introduces consequential amendments to IAS 7, which require entities to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Company currently uses profit for the year/period before zakat and income tax as the starting point of the reconciliation to cash flows from operating activities. Certain adjusting items included in the reconciliation will change as a result of the new starting point.

The amendments also remove the presentation alternatives previously available for interest and dividend cash flows. The Company is in process of assessing the impact of all amendments.

Earnings per share (IAS 33)

IAS 33 is amended so that any additional earnings-per-share measures may be presented only where the numerator is a total or subtotal specified by IFRS 18 or an MPM attributable to ordinary equity holders, with an explanation. The Company currently presents only basic and diluted earnings per share based on profit attributable to ordinary equity holders and does not expect a significant impact, other than confirming that any future additional per-share measures comply with these restrictions.

Interim Financial Reporting (IAS 34)

IAS 34 is amended so that interim financial statements for periods beginning on or after 1 January 2027 reflect the IFRS 18 categories, subtotals and related disclosure requirements, with restated comparatives. The Company's condensed interim financial statements for the first quarter of 2027 will be the first financial statements prepared applying IFRS 18, and interim disclosure templates are being updated accordingly.

f) Transition

IFRS 18 applies retrospectively. Upon initial application, the Company will restate comparative information in accordance with the transition requirements of IFRS 18 and will disclose, in the financial statements for the year of initial application in accordance with IFRS 18 requirements.

3.2 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 recognised 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 31 December 2025.

4. Cash and cash equivalents

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

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Cash at banks		
- Current accounts – Note 4.1	**222,487**	90,467
- Term deposits – Note 4.2	**110,000**	-
-Accrued income on term deposit	**164**	-
Expected credit losses - Note 4.3	**-**	-
	332,651	90,467

4.1 Cash at banks is placed with counterparties with credit ratings ranging from A1 to B2 as per Moody's.

4.2 The term deposits are held with a local commercial bank rated A1 by Moody's and has a maturity of up to three months from the deposit date. The average yield on these deposits is 4.66% per annum (31 December 2025: N/A).

4.3 This balance is classified as stage 1.

5. Short-term and long-term deposits

Short-term deposits are placed with local banks with original maturities of more than three months but less than or equal to twelve months from the date of placement and earn commission income at rates ranging from 4.95% to 6% (2025: 4.9% to 6%) per annum.

The gross carrying amount of short-term deposits represents the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1.

Long-term deposits represent deposits in various banks earning commission income at rates ranging from 4.1% to 7.2% (2025: 4.1% to 7.2%) per annum.

The gross carrying amount of long-term deposits represents the Company's maximum exposure to credit risk on these financial assets which are categorised under investment grade and Stage 1.

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Short-term deposits – Principal amount	**336,171**	272,477
Accrued income on short-term deposits	**9,289**	1,342
Expected credit losses on short-term deposits	**(2)**	(10)
Short-term deposits at end of the period / year	**345,458**	273,809
Long-term deposits – Principal amount	**166,250**	146,250
Accrued income on long-term deposits	**967**	809
Expected credit losses on long-term deposits	**(3)**	(1)
Long-term deposits at end of the period / year	**167,214**	147,058
Balance at end of the period / year	**512,672**	420,867

5. Short-term and long-term deposits (continued)

Movement in allowance for net impairment credit losses on term deposits is as follows:

	30 September 2026	31 December 2025
	(Unaudited)	**(Audited)**
Balance at beginning of the year	**11**	11
Reversal of impairment credit losses recognised in statement of income during the period / year	**(6)**	-
Balance at end of the period / year	**5**	11

6. Investments

(a) Investments are classified as follows:

	30 September 2026	31 December 2025
	(Unaudited)	**(Audited)**
Financial assets at FVOCI (refer b and d below)	**1,842,958**	1,784,546
Financial assets at FVTPL (refer f below)	**187,016**	114,704
	2,029,974	1,899,250

(b) Movement in debt investments carried at FVOCI is as follows:

	30 September 2026	31 December 2025
	(Unaudited)	**(Audited)**
Opening balance	**1,711,787**	1,630,814
Additions during the period / year	**191,758**	248,639
Withdrawn / matured during the period / year	**(96,261)**	(216,331)
Realised fair value gain / (loss) reclassified to interim condensed statement of income	**70**	(40)
Accretion of discount	**6,350**	8,547
Amortisation of premium	**(1,565)**	(2,078)
Net impairment credit losses (charged) / reversed during the period / year	**(3,216)**	21
Changes in fair value	**(38,724)**	42,215
Closing balance	**1,770,199**	1,711,787

(c) Movement in allowance for net impairment credit losses on financial assets carried at FVOCI is as follows:

	30 September 2026	31 December 2025
	(Unaudited)	**(Audited)**
Opening balance	**1,661**	1,682
Net impairment credit losses charged/ (reversed) during the period / year *	**3,216**	(21)
	4,877	1,661

6. Investments (continued)

* As at 30 September 2026, certain sukuk investments were classified as Stage 3 (31 December 2025: Stage 1), as the issuer had defaulted and entered into restructuring, indicating that the investments were credit-impaired. This resulted in an additional impairment credit loss of SAR 2.98 million.

(d) Movement in equity investments carried at FVOCI is as follows:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Opening balance	**72,759**	61,154
Changes in fair value	**-**	11,605
Closing balance	**72,759**	72,759

(e) During the three-month and nine-month periods ended 30 September 2026 and 2025, the following (losses) / gains were recognised in the other comprehensive income:

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Related to equity instruments	**-**	-	**-**	2,510
Related to debt instruments (net of deferred tax)	**(23,975)**	5,622	**(35,006)**	41,426
	(23,975)	5,622	**(35,006)**	43,936

(f) Movement in investments carried at fair value through profit or loss is as follows:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Opening balance	**114,704**	76,165
Additions during the period / year	**104,650**	73,723
Disposals during the period / year	**(2,227)**	(37,119)
Changes in fair value	**(30,111)**	1,935
Closing balance	**187,016**	114,704

7. Insurance and reinsurance contracts

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims:

	As at 30 September 2026 (Unaudited)					As at 31 December 2025 (Audited)				
	Liability for remaining coverage		Liability for incurred claims		Total	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk*		Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk*	
Insurance contracts issued										
Insurance contracts liabilities - opening	**349,549**	**50,294**	**1,016,722**	**188,181**	**1,604,746**	274,119	39,307	920,079	174,251	1,407,756
Insurance contract assets - opening	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Opening balance - net	**349,549**	**50,294**	**1,016,722**	**188,181**	**1,604,746**	274,119	39,307	920,079	174,251	1,407,756
Insurance revenue	**(1,468,310)**	**-**	**-**	**-**	**(1,468,310)**	(1,503,755)	-	-	-	(1,503,755)
Insurance service expenses										
Incurred claims and other incurred insurance service expenses	**-**	**(48,925)**	**1,063,917**	**53,337**	**1,068,329**	-	(39,295)	1,244,494	84,081	1,289,280
Changes that relate to the past service - changes in fulfilment cashflows ("FCF") relating to LIC	**-**	**-**	**(68,037)**	**(62,779)**	**(130,816)**	-	-	(101,058)	(70,165)	(171,223)
Losses on onerous contracts	**-**	**44,295**	**-**	**-**	**44,295**	-	50,282	-	-	50,282
Insurance acquisition cashflows amortisation	**209,711**	**-**	**-**	**-**	**209,711**	218,102	-	-	-	218,102
Insurance service expenses	**209,711**	**(4,630)**	**995,880**	**(9,442)**	**1,191,519**	218,102	10,987	1,143,436	13,916	1,386,441
Finance expenses from insurance contracts issued**	**-**	**-**	**16,094**	**-**	**16,094**	-	-	26,491	14	26,505
Total changes in the interim condensed statement of income	**(1,258,599)**	**(4,630)**	**1,011,974**	**(9,442)**	**(260,697)**	(1,285,653)	10,987	1,169,927	13,930	(90,809)
Cash flows										
Premium received	**1,985,593**	**-**	**-**	**-**	**1,985,593**	1,589,695	-	-	-	1,589,695
Claims and other incurred insurance service expenses paid	**-**	**-**	**(1,024,334)**	**-**	**(1,024,334)**	-	-	(1,073,284)	-	(1,073,284)
Insurance acquisition cash flows paid	**(263,064)**	**-**	**-**	**-**	**(263,064)**	(228,612)	-	-	-	(228,612)
Total cash flows	**1,722,529**	**-**	**(1,024,334)**	**-**	**698,195**	1,361,083	-	(1,073,284)	-	287,799
Insurance contracts										
Insurance contract liabilities - closing	**813,479**	**45,664**	**1,004,362**	**178,739**	**2,042,244**	349,549	50,294	1,016,722	188,181	1,604,746
Insurance contract assets - closing	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Closing balance - net	**813,479**	**45,664**	**1,004,362**	**178,739**	**2,042,244**	349,549	50,294	1,016,722	188,181	1,604,746

* The Company has determined risk adjustment at 75th percentile for all portfolios (31 December 2025: 75th percentile).
** The Company determines discount rates using a bottom-up approach. The starting point are liquid risk-free yield curves that reflect the currency and timing of the insurance contract cash flows. The reference risk-free yield curves are based on Moody's Analytics USD risk-free yield curves and are adjusted for illiquidity premiums and the relevant country specific risk premium as required.

7. Insurance and reinsurance contracts (continued)

Roll-forward of net asset or liability for reinsurance contracts held showing the asset for remaining coverage and the asset for incurred claims:

	As at 30 September 2026 (Unaudited)					As at 31 December 2025 (Audited)				
	Asset for remaining coverage		Assets for incurred claims			Asset for remaining coverage		Assets for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk*	Total	Excluding loss recovery component	Loss recovery component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk*	Total
Reinsurance contracts held										
Reinsurance contracts liabilities - opening	**(4,561)**	**-**	**1,360**	**887**	**(2,314)**	(6,132)	-	2,874	1,913	(1,345)
Reinsurance contracts assets - opening	**(72,906)**	**14,280**	**382,925**	**87,325**	**411,624**	(78,841)	-	215,148	62,319	198,626
Opening balance - net	**(77,467)**	**14,280**	**384,285**	**88,212**	**409,310**	(84,973)	-	218,022	64,232	197,281
Allocation of reinsurance premium	**(250,917)**		**-**		**(250,917)**	(226,447)	-	-	-	(226,447)
Amounts recoverable from reinsurers										
Claim recovered and other directly attributable expenses	**-**	**-**	**100,148**	**18,409**	**118,557**	-	-	206,719	42,371	249,090
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	**-**	**(12,127)**	**(5,663)**	**(22,509)**	**(40,299)**	-	-	(18,294)	(18,397)	(36,691)
Loss recovery on onerous underlying contracts	**-**	**4,847**	**-**	**-**	**4,847**	-	14,280	-	-	14,280
Amounts recoverable from reinsurers - net	**(250,917)**	**(7,280)**	**94,485**	**(4,100)**	**(167,812)**	(226,447)	14,280	188,425	23,974	232
Finance income from reinsurance contracts held**	**-**	**-**	**6,507**	**-**	**6,507**	-	-	6,558	6	6,564
Total changes in interim condensed statement of income	**(250,917)**	**(7,280)**	**100,992**	**(4,100)**	**(161,305)**	(226,447)	14,280	194,983	23,980	6,796
Cash flows										
Premiums ceded	**167,439**	**-**	**-**	**-**	**167,439**	233,953	-	-	-	233,953
Recoveries from reinsurance	**-**	**-**	**(44,476)**	**-**	**(44,476)**	-	-	(28,720)	-	(28,720)
Total cash flows	**167,439**	**-**	**(44,476)**	**-**	**122,963**	233,953	-	(28,720)	-	205,233
Reinsurance contracts held										
Reinsurance contract liabilities - closing	**(22,614)**	**-**	**9,880**	**2,540**	**(10,194)**	(4,561)	-	1,360	887	(2,314)
Reinsurance contract assets - closing	**(138,331)**	**7,000**	**430,921**	**81,572**	**381,162**	(72,906)	14,280	382,925	87,325	411,624
Closing balance - net	**(160,945)**	**7,000**	**440,801**	**84,112**	**370,968**	(77,467)	14,280	384,285	88,212	409,310

* The Company has determined risk adjustment at 75th percentile for all reinsurance portfolios (31 December 2025: 75th percentile).

** The Company determines discount rates using a bottom-up approach. The starting point are liquid risk-free yield curves that reflect the currency and timing of the insurance contract cash flows. The reference risk-free yield curves are based on Moody's Analytics USD risk-free yield curves and are adjusted for illiquidity premiums and the relevant country specific risk premium as required.

8. Share capital

The authorised, issued and paid-up capital of the Company was Saudi Riyals 525 million as at 30 September 2026 and 31 December 2025 consisting of 52.5 million shares of Saudi Riyals 10 each.

Shareholding structure of the Company as at 30 September 2026 and 31 December 2025 is as below.

	Authorised and issued		Paid up
	No. of shares	Amount	
Gulf Insurance Group (Gulf) B.S.C (c).	**26,250,000**	**262,500**	**262,500**
General public	**26,250,000**	**262,500**	**262,500**
	52,500,000	**525,000**	**525,000**

9. Prepaid expenses and other assets

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Receivable - insurance arrangements - Note 9.1	**6,490**	23,881
Accrued income	**19,480**	19,083
Prepaid expenses	**13,235**	8,199
Employees' receivable	**1,538**	1,124
VAT receivable	**15,533**	-
Other	**499**	1,423
	56,775	53,710

9.1 This mainly includes balance receivable for discontinued Covid 19 and Travel Products.

10. Net finance (expenses) / income from insurance / reinsurance contracts

An analysis of the net insurance finance income (expenses) by product line for the three-month and nine-month periods ended 30 September 2026 and 30 September 2025 is presented below:

	For the three-month period ended 30 September 2026 (Unaudited)					For the three-month period ended 30 September 2025 (Unaudited)				
	Motor	**Property and casualty**	**Health**	**Protection**	**Total**	**Motor**	**Property and casualty**	**Health**	**Protection**	**Total**
Finance (expense) / income from insurance contracts issued										
Interest accretion (net)	**(278)**	**(2,155)**	**(278)**	**(227)**	**(2,938)**	172	(6)	114	43	323
Effects of changes in interest rates and other financial assumptions	**42**	**234**	**268**	**94**	**638**	(290)	(538)	(76)	(28)	(932)
Finance (expenses) / income from insurance contracts issued	**(236)**	**(1,921)**	**(10)**	**(133)**	**(2,300)**	(118)	(544)	38	15	(609)
Finance income / (expenses) from reinsurance contracts held										
Interest accreted (net)	**3**	**1,295**	**11**	**23**	**1,332**	-	12	(2)	-	10
Effects of changes in interest rates and other financial assumptions	**(1)**	**(323)**	**(3)**	**(6)**	**(333)**	(1)	400	14	5	418
Finance income / (expenses) from reinsurance contracts held	**2**	**972**	**8**	**17**	**999**	(1)	412	12	5	428
Net finance (expenses) / income from insurance / reinsurance contracts	**(234)**	**(949)**	**(2)**	**(116)**	**(1,301)**	(119)	(132)	50	20	(181)

10. Net finance (expenses) / income from insurance / reinsurance contracts (continued)

	For the nine-month period ended 30 September 2026 (Unaudited)					For the nine-month period ended 30 September 2025 (Unaudited)				
	Motor	**Property and casualty**	**Health**	**Protection**	**Total**	**Motor**	**Property and casualty**	**Health**	**Protection**	**Total**
Finance expenses from insurance contracts issued										
Interest accreted	**(3,565)**	**(12,136)**	**(2,889)**	**(990)**	**(19,580)**	(11,171)	(16,468)	(5,640)	(1,521)	(34,800)
Effects of changes in interest rates and other financial assumptions	**331**	**2,275**	**728**	**152**	**3,486**	(594)	(1,038)	(151)	(58)	(1,841)
Finance expenses from insurance contracts issued	**(3,234)**	**(9,861)**	**(2,161)**	**(838)**	**(16,094)**	(11,765)	(17,506)	(5,791)	(1,579)	(36,641)
Finance income from reinsurance contracts held										
Interest accreted	**8**	**7,261**	**105**	**132**	**7,506**	67	9,363	295	214	9,939
Effects of changes in interest rates and other financial assumptions	**(3)**	**(966)**	**(11)**	**(19)**	**(999)**	1	776	30	10	817
Finance income from reinsurance contracts held	**5**	**6,295**	**94**	**113**	**6,507**	68	10,139	325	224	10,756
Net finance expenses from insurance / reinsurance contracts	**(3,229)**	**(3,566)**	**(2,067)**	**(725)**	**(9,587)**	(11,697)	(7,367)	(5,466)	(1,355)	(25,885)

11. Share of surplus from insurance pool

11.1 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 1 January 2020. The compulsory Umrah product is offered by the ministry and approved by SAMA for insurance of pilgrims coming from outside of the Kingdom of Saudi Arabia except for citizens of the Gulf Cooperation Council countries. This covers medical and general accidents of the pilgrims entering the Kingdom of Saudi Arabia to perform Umrah. The agreement terms are for 4 years starting from 1 January 2020 and it is renewable for another four years subject to the terms and conditions of the agreement. There is no renewal to the agreement as at 30 September 2026 as the aforementioned arrangement has been discontinued.

11.2 Inherent Defect Insurance

This represents the Company's share of 12.22% in the Inherent Defects Insurance ("IDI") product as at 30 September 2026. On 25 June 2020, an agreement was signed among thirteen insurance companies ("Participating Companies") operating in Kingdom of Saudi Arabia for IDI product, based on the SAMA approval authorising Malath Cooperative Insurance Company ("Malath") as the leading company ("Operator"), to manage the IDI program on behalf of the participating insurance companies, selling the product and providing its insurance coverage by creating joint insurance portfolios. Malath exclusively managed the portfolio during the period of validity of the IDI agreement of five years from issue date. The agreement expired during the year ended 31 December 2025. Effective 24 June 2025, Tawuniya Cooperative Insurance Company has been appointed as the new operator for IDI. Following an increase in the number of participants from thirteen to seventeen, the Company's share has then changed to 12.22%.

IDI is a mandatory insurance policy for contractors to insure against inherent defects that may appear in buildings and constructions after their occupation in non-governmental sector projects, according to Saudi Council of Ministers Decree No. 509 of 21 Ramadan 1439 AH (corresponding to 05 June 2018) and in accordance with the decision 441/187 of the Governor of SAMA dated 5 Sha'ban 1441 AH (corresponding to 29 March 2020).

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

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 3 November 2024. This compulsory product covers default of entities in paying the rights and entitlements of non-Saudi employees in private sector entities offered by the "Ministry of Human Resources and Social Development" through Insurance Authority (IA). The agreement was initially valid for a term of five years, starting from 3 November 2024, and renewable for another five years, subject to the terms and conditions of the agreement.

In June 2026, this arrangement changed and The Company for Cooperative Insurance has been appointed to serve as the lead insurer for this product.

12. Commitments and contingencies

(i) The Company has issued various bank guarantees amounting to Saudi Riyals 22.3 million (31 December 2025: Saudi Riyals 27.3 million) in the ordinary course of business.

(ii) 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 effect on its results and financial position. Further, there was no material change in the status of legal proceedings during the current period from the status disclosed as at 31 December 2025. Refer to Note 17 for zakat and tax related matters.

13. 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, most advantageous market that the company can access

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

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

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

The following table shows the carrying amount and fair values of financial assets, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial 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 interest rates which are based on prevalent market interest rates.

13. Fair value of financial instruments (continued)

(a) Carrying amounts and fair value

	Fair value			
	Level 1	**Level 2**	**Level 3**	**Total**
30 September 2026 (Unaudited)				
Financial assets measured at fair value				
Investments at FVOCI	**1,040,517**	**729,682**	**72,759**	**1,842,958**
Investments at FVTPL	**187,016**	**-**	**-**	**187,016**
Total investments	**1,227,533**	**729,682**	**72,759**	**2,029,974**

	Fair value			
	Level 1	**Level 2**	**Level 3**	**Total**
31 December 2025 (Audited)				
Financial assets measured at fair value				
Investments at FVOCI	1,689,787	22,000	72,759	1,784,546
Investments at FVTPL	114,704	-	-	114,704
Total investments	1,804,491	22,000	72,759	1,899,250

*Financial assets at FVOCI as at 30 September 2026 include 1,923,078 shares (31 December 2025: 1,923,078 shares) in Najm for Insurance Services ("Najm"). The investment is carried at fair value of Saudi Riyals 72.8 million as at 30 September 2026 (31 December 2025: Saudi Riyals 72.8 million).

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

- **Discounted cashflows ("DCF") method:** The DCF valuation to discount the future operating cash flows of the Company to their present value using a weighted average cost of capital as the discount rate ("WACC"). The value derived from such an analysis 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 prior periods and covering a full economic cycle. The Company has relied on local multiples valuation consisting of companies operating with a similar business model.

A weight of 60% and 40%, respectively, (31 December 2025: 60% and 40%, respectively) 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% (31 December 2025: 3.45%).

13. Fair value of financial instruments (continued)

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

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/year	**72,759**	61,154
Unrealised gain on fair value of FVOCI	**-**	11,605
Balance at the end of the period/year	**72,759**	72,759

(c) Valuation process

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

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Terminal value growth rate is derived from publicly available databases.
- Earnings growth factors for unlisted equity securities are estimated based on the investee's own historical results.

14. Segmental information

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

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

For management purposes, the Company is organised into business units based on their products and services and has the following reportable segments:

- Motor;
- Property and casualty;
- Health; and
- Protection.

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.

Where intersegment transactions were to occur, transfer prices between operating segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment income, expense and results will then include those transfers between operating segments which will then be eliminated at the level of interim condensed financial information of the Company.

14. Segmental information (continued)

The segment information provided to the Company's Board of Directors for the reportable segments for the Company's total assets and liabilities at 30 September 2026 and 31 December 2025, its total revenues, expenses, and net income for the three-month and nine-month periods ended 30 September 2026 and 30 September 2025 then ended are as follows:

a) Segmental interim condensed statement of income:

	For the three-month period ended 30 September 2026 (Unaudited)					For the nine-month period ended 30 September 2026 (Unaudited)				
	Motor	**Property and casualty**	**Health**	**Protection**	**Total**	**Motor**	**Property and casualty**	**Health**	**Protection**	**Total**
Insurance revenue	**359,342**	**132,175**	**62,883**	**12,941**	**567,341**	**868,329**	**382,600**	**181,648**	**35,733**	**1,468,310**
Insurance service expenses	**(341,073)**	**(83,694)**	**(64,434)**	**(8,201)**	**(497,402)**	**(806,523)**	**(180,575)**	**(183,249)**	**(21,172)**	**(1,191,519)**
Net expense from reinsurance contracts held	**(3,465)**	**(31,899)**	**(2,350)**	**(1,874)**	**(39,588)**	**(10,813)**	**(143,254)**	**(7,439)**	**(6,306)**	**(167,812)**
Net insurance financial result	**(234)**	**(949)**	**(3)**	**(116)**	**(1,301)**	**(3,227)**	**(3,567)**	**(2,068)**	**(725)**	**(9,587)**
Segment results	**14,570**	**15,633**	**(3,903)**	**2,750**	**29,050**	**47,764**	**55,205**	**(11,107)**	**7,530**	**99,392**
Share of surplus from insurance pools					**-**					**10,210**
Interest income using effective interest method					**27,235**					**76,694**
Other investment loss					**(18,187)**					**(25,763)**
Other operating expenses					**(10,816)**					**(31,673)**
Other income					**171**					**197**
Profit before tax					**27,453**					**129,057**

	For the three-month period ended 30 September 2025 (Unaudited)					For the nine-month period ended 30 September 2025 (Unaudited)				
	Motor	**Property and casualty**	**Health**	**Protection**	**Total**	**Motor**	**Property and casualty**	**Health**	**Protection**	**Total**
Insurance revenue	169,059	116,111	74,887	21,901	381,958	471,328	303,605	263,330	70,453	1,108,716
Insurance service expenses	(162,199)	(45,051)	(67,986)	(23,185)	(298,421)	(440,293)	(107,136)	(269,132)	(66,422)	(882,983)
Net expense from reinsurance contracts held	(1,790)	(60,312)	(1,694)	39	(63,757)	(4,567)	(128,526)	(3,403)	76	(136,420)
Net insurance financial result	(119)	(132)	50	20	(181)	(11,697)	(7,367)	(5,466)	(1,355)	(25,885)
Segment results	4,951	10,616	5,257	(1,225)	19,599	14,771	60,576	(14,671)	2,752	63,428
Share of surplus from insurance pools					8,078					10,003
Interest income using effective interest method					23,804					71,600
Other investment loss					4,831					3,683
Other operating expenses					(8,992)					(30,647)
Other income					-					878
Profit before tax					47,320					118,945

14. Segmental information (continued)

b) Segmental interim condensed statement of financial position:

30 September 2026 (Unaudited)	**Motor**	**Property and casualty**	**Health**	**Protection**	**Total**
ASSETS AND LIABILITIES					
Reinsurance contract assets	**82**	**370,858**	**1,692**	**8,530**	**381,162**
Unallocated assets					**3,088,397**
TOTAL ASSETS					**3,469,559**
Insurance contract liabilities	**982,076**	**811,837**	**189,569**	**58,762**	**2,042,244**
Reinsurance contract liabilities	**6,642**	**3,552**	**-**	**-**	**10,194**
Unallocated liabilities					**211,301**
TOTAL LIABILITIES					**2,263,739**
31 December 2025 (Audited)					
ASSETS AND LIABILITIES					
Reinsurance contract assets	2,224	390,273	7,832	11,295	411,624
Unallocated assets					2,624,654
TOTAL ASSETS					3,036,278
Insurance contract liabilities	592,906	761,575	200,240	50,025	1,604,746
Reinsurance contract liabilities	1,131	1,182	-	1	2,314
Unallocated liabilities					227,734
TOTAL LIABILITIES					1,834,794

15. Related party transactions and balances

The controlling shareholder of the Company is Gulf Insurance Group (Gulf) B.S.C. (GIG Gulf) which is ultimately owned by Fairfax Financial Holdings Limited.

Related parties represent major shareholder, directors and key management personnel of the Company, and companies of which they are principal owners, and any other entities controlled, jointly controlled or significantly influenced by them. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors. The following are the details of the related party transactions during the three-month and nine-month periods ended 30 September 2026 and 2025, and the related balances:

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2026	2025	2026	2025
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Major shareholder				
Reinsurance premiums ceded (forming part of net expenses/income from reinsurance contracts held)	**(112)**	8,021	**6,238**	15,024
Reinsurance commissions (forming part of net expenses/income from reinsurance contracts held)	**17**	566	**401**	831
Reinsurers' share of gross claims paid (forming part of net expenses/income from reinsurance contracts held)	**236**	331	**1,376**	882
Other operating expenses	**749**	574	**2,339**	879
Entities controlled, jointly controlled or significantly influenced by related parties				
Gross premiums (forming part of insurance revenue)	**251**	261	**2,442**	2,387
Net claims paid (forming part of insurance service expenses)	**214**	261	**1,584**	2,387

The compensation of key management personnel during the three-month and nine-month periods ended 30 September 2026 and 2025 is as follows:

	For three-month period ended 30 September		For nine- month period ended 30 September	
	2026	2025	2026	2025
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Salaries and benefits	**4,290**	3,462	**12,838**	9,980
Employee benefit obligations	**165**	96	**495**	489

Total salaries and benefits payable (including employee benefit obligations payable) to key management personnel as at 30 September 2026 is Saudi Riyal 11.7 million (31 December 2025: Saudi Riyal 12.6 million).

15. Related party transactions and balances (continued)

Board of Directors fees for the three-month and nine-month periods ended 30 September 2026 was Saudi Riyals 0.5 million and Saudi Riyals 1.6 million, respectively (three-month and nine-month periods ended 30 September 2025: Saudi Riyals 0.4 million and Saudi Riyals 1 million, respectively).

The transactions with related parties are carried out on mutually agreed terms and conditions. Compensation to key management personnel is on employment terms and as per the By-laws of the Company.

Due to related parties which is classified under the financial statement caption "accrued expenses and other liabilities" represents amounts payable to the GIG group entities which is provided as below:

	30 September 2026 (Unaudited)	31 December 2025 (Audited)
Gulf Insurance Group (Gulf) B.S.C (Parent Company)	**4**	4
Gulf Insurance Group K.S.C.P (Intermediate Parent Company)	**2,270**	2,314
	2,274	2,318

16. Investment income

	For three- month period ended 30 September		For nine- month period ended 30 September	
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Interest income from deposits	**8,148**	6,247	**20,712**	19,784
Interest income on financial assets at FVOCI	**17,459**	15,850	**51,197**	46,945
Net accretion on financial assets at FVOCI	**1,628**	1,707	**4,785**	4,871
Interest income using effective interest method	**27,235**	23,804	**76,694**	71,600
Income on financial assets at FVTPL	**4,428**	851	**7,388**	2,463
Unrealised (loss) / gain on financial assets at FVTPL	**(19,304)**	7,673	**(30,111)**	4,408
Realised gain / (loss) on financial assets at FVTPL	**-**	(3,445)	**100**	(3,445)
Realised gain on financial assets at FVOCI	**70**	-	**70**	21
(Charge) / reversal of ECL on deposits	**(1)**	1	**6**	9
Impairment loss / (reversal) on financial assets at FVOCI	**(3,380)**	(249)	**(3,216)**	227
Other investment (loss) / income	**(18,187)**	4,831	**(25,763)**	3,683
Total investment income - net	**9,048**	28,635	**50,931**	75,283

17. Zakat and income tax

Status of assessments

The Company has filed its Zakat and Income Tax returns with the Zakat, Tax and Customs Authority (ZATCA) up to the year 2025. The Company has finalised its zakat and tax assessments with the ZATCA for all years up to 31 December 2020.

Further, the assessments for the years from 2021 to 2025 are under review by ZATCA.

18. Statutory reserve

In accordance with By-laws of the Company and Article 70(2)(g) of the Implementing Regulations for Co-operative Insurance Companies issued by the Insurance Authority, formerly SAMA, the Company is required to transfer not less than 20% of its annual profits, to a statutory reserve until such reserve amounts to 100% of the paid-up share capital of the Company. This reserve is not available for distribution to the shareholders until the liquidation of the Company.

19. Capital risk management

The Company's objectives, as set by the Board of Directors, are to maintain healthy capital ratios to support its business objectives and maximize shareholder value, as follows:

- To comply with the insurance capital requirements as set out in the Law. The Company's current paid-up share capital is in accordance with Article 3 of the Law;
- To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk.

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 30 September 2026, the Company is in compliance with the minimum solvency margin as required by the Implementing Regulations of the Cooperative Insurance Companies Control Law.

20. Basic and diluted earnings per share

Basic and diluted earnings per share for the three-month and nine-month periods ended 30 September 2026 and 2025 is calculated by dividing total income for the period attributable to the shareholders by the weighted average number of outstanding shares during the period.

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

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2026	**2025**	**2026**	**2025**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Total income for the period attributable to the shareholders	**19,227**	34,433	**101,695**	95,665
Weighted average number of ordinary shares for basic and diluted earnings per share	**52,500**	52,500	**52,500**	52,500
Basic and diluted earnings per share	**0.37**	0.66	**1.94**	1.82

21. Goodwill

This represents goodwill recognised on acquisition of insurance portfolio and net assets of AXA Saudi Arabia Holding W.L.L. The Company received approval from SAMA on 15 Dhul-Qadah 1433H (corresponding to 1 October 2012) to transfer the insurance portfolio from AXA Saudi Arabia Holding W.L.L. at a total consideration of Saudi Riyals 106.6 million. During 2015, the Company met payment conditions imposed by SAMA and received approval for payment of Saudi Riyals 50 million in respect of initial consideration to AXA Saudi Arabia Holding W.L.L. which was recognised as goodwill being the excess of consideration paid, and the net assets acquired. The remaining amount of Saudi Riyals 56.6 million which was recorded as contingent liability was accordingly relinquished.

The Company tests the goodwill for impairment at each reporting date, if there are impairment indicators, and at least annually. As of 30 September 2026, there were no impairment indicators identified and hence no impairment testing has been performed by management.

22. Sensitivity analysis

The Company believes that the claims liabilities under insurance contracts outstanding at the reporting periods 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 to specific variables such as legislative changes or uncertainties in the estimation process. Each sensitivity has been performed independently, with all other assumptions held constant.

	For the nine-month period ended 30 September	
	2026	**2025**
	(Unaudited)	**(Unaudited)**
Impact on equity and net income of change in claims ratio		
5 % increase	**(73,416)**	(55,436)
5 % decrease	**73,416**	55,436
Impact on equity and net income of change in direct expense ratio - loss component*		
2% increase	**(29,366)**	(22,174)
2 % decrease	**29,366**	22,174
Impact on equity and net income of change in risk adjustment for non-financial risk		
5 percentiles increase in the confidence level	**(42,748)**	(54,585)
5 percentiles decrease in the confidence level	**38,483**	57,053

*Direct expense ratio is the ratio of sum of directly attributable expenses, acquisition cashflows and surplus for the period to earned premium.

23. Dividends

During the nine-month period ended 30 September 2026, cash dividend amounting to Saudi Riyals 63 million was paid (30 September 2025: Saudi Riyals 63 million) based on Board of Directors resolution dated 21 Shawwal 1447H (corresponding to 09 April 2026) to distribute cash dividend to shareholders related to the year ended 31 December 2025 of Saudi Riyals 1.2 per share. This cash dividend had been approved by the General Assembly at its meeting dated 27 Dhul Qa'dah 1447H (corresponding to 14 May 2026).

24. Gross written premium

Details relating to gross written premium are disclosed below to comply with the requirements of the Insurance Authority circular 170 and are not calculated as per the requirements of IFRS 17.

For the three-month period ended 30 September 2026	**Motor**	**Property and casualty**	**Health**	**Protection**	**Total**
Large corporates	**30,470**	**55,909**	**55,643**	**-**	**142,022**
Medium corporates	**16,526**	**37,473**	**7**	**11,490**	**65,496**
Small corporates	**16,424**	**12,323**	**5**	**-**	**28,752**
Micro corporates	**2,765**	**728**	**2**	**-**	**3,495**
Retail	**472,209**	**73**	**6,220**	**-**	**478,502**
	538,394	**106,506**	**61,877**	**11,490**	**718,267**

For the three-month period ended 30 September 2025					
Large corporates	31,887	41,475	34,999	-	108,361
Medium corporates	31,001	47,486	55	1,320	79,862
Small corporates	10,462	16,561	166	-	27,189
Micro corporates	1,507	7,099	-	-	8,606
Retail	105,862	25,659	3,346	-	134,867
	180,719	138,280	38,566	1,320	358,885

For the nine-month period ended 30 September 2026	**Motor**	**Property and casualty**	**Health**	**Protection**	**Total**
Large corporates	**117,448**	**130,070**	**210,577**	**-**	**458,095**
Medium corporates	**61,768**	**170,762**	**2,562**	**39,987**	**275,079**
Small corporates	**87,971**	**93,562**	**1,154**	**-**	**182,687**
Micro corporates	**7,804**	**16,385**	**2**	**-**	**24,191**
Retail	**1,097,958**	**267**	**9,004**	**-**	**1,107,229**
	1,372,949	**411,046**	**223,299**	**39,987**	**2,047,281**

For the nine-month period ended 30 September 2025					
Large corporates	148,695	106,434	196,884	-	452,013
Medium corporates	113,637	125,795	3,041	75,267	317,740
Small corporates	69,060	95,849	1,039	-	165,948
Micro corporates	4,685	11,087	2	-	15,774
Retail	218,675	53,941	10,907	-	283,523
	554,752	393,106	211,873	75,267	1,234,998

25. Subsequent event

There are no events subsequent to the reporting date and before the issuance of these financial statements which require adjustments or additional disclosures to these financial statements other than those as disclosed in note 1 under "impact of geopolitical disruptions".

26. Reclassification

Certain amounts reported in prior-period have been reclassified to conform with the presentation adopted in the current period. These reclassifications had no impact on the previously reported results of operations.

The following table shows the impact on each financial statement caption affected by the reclassification:

Financial statement caption	31 December 2025 (before reclassification)	Reclassification (Note 26.1)	Reclassification (Note 26.2)	31 December 2025 (after reclassification)
Accrued expenses and other liabilities	84,668	2,318	1,571	88,557
Due to related party	2,318	(2,318)	-	-
Prepaid expenses and other assets	52,139	-	1,571	53,710

26.1 Reclassification of amounts due to related parties to accrued expenses and other liabilities to ensure better presentation in the financial statements.

26.2 Reclassification of payable to IDI pool from prepaid expenses and other assets to accrued expenses and other liabilities to ensure appropriate classification and presentation in the financial statements.

27. Approval of the interim condensed financial information

This interim condensed financial information has been authorised for issue by the Board of Directors on 28 Jumada al-Awwal 1448 H (corresponding to 28 October 2026).