إعـــادة
Saudi Re

ANNUAL REPORT

2024

Soaring with vision, grounded in strength

From a foundation of trust and stability built on home soil, Saudi Re has achieved remarkable growth. As we embark on our Strategy Towards 2028, we are confident in our ability to navigate the complexities of a dynamic global reinsurance landscape with agility and adaptability. With our commitment to innovation and growth, guided by our core values and driven by renewed ambition, we aspire to reach new heights in a sustainable and prosperous future.

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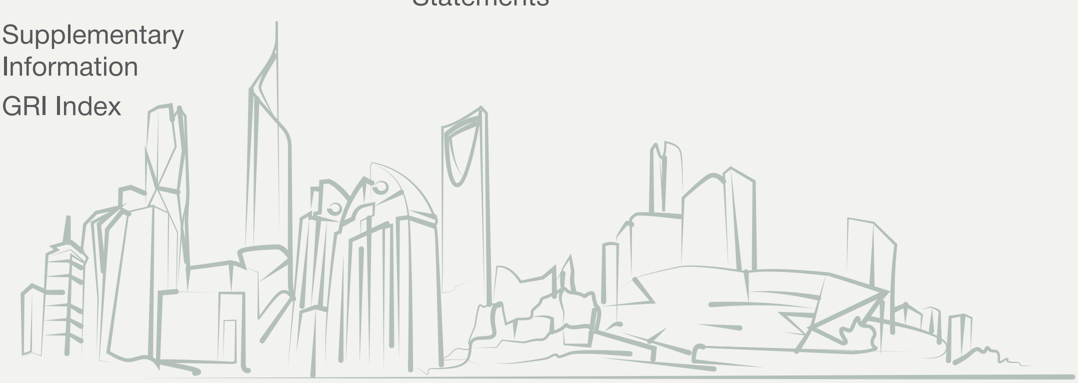

01 ABOUT THIS REPORT

https://saudire.net/AnnualReports/2024/index.html

This Report is available in the following formats: pdf, and end-to-end comprehensive online HTML

Saudi Re's Annual Report for 2024 follows the principles of Integrated Reporting, upholding its established practice of providing a comprehensive Financial Report, a detailed Sustainability Report, and a Directors' Report. The primary purpose of this report is to deliver a concise yet thorough overview of Saudi Re's strategy, governance, performance, and future outlook, all framed within the context of the current operational environment. This format ensures transparency and clarity, offering stakeholders valuable insights into the Company's approach to creating long-term value and managing risks in a dynamic market landscape.

1.1 REPORT BOUNDARY →

Unless stated otherwise explicitly, this report covers the full scope of Saudi Re's operations. The financial reporting boundary includes not only Saudi Re itself but also its affiliated companies, providing a comprehensive view of the entire group's activities and performance, pertaining to the year under review.

1.2 REPORTING PERIOD →

This report covers the period from 1 January 2024 to 31 December 2024, and is consistent with Saudi Re's established practices for Financial, Sustainability, and Directors' reporting. There are no significant changes in the scope or boundaries of the report compared to prior editions.

The Directors' Report, Sustainability Report, and Financial Report all pertain to the fiscal year ending 31 December 2024. Saudi Re's Annual Report for 2024 is available in both English and Arabic. In the event of any discrepancies between the two versions, the Arabic version shall prevail.

1.3 COMPLIANCE →

The report has been meticulously prepared in full compliance with all applicable rules, regulations, and standards set forth by the Insurance Authority (IA), the Capital Market Authority (CMA), the Ministry of Commerce (MOC), and other relevant regulatory bodies. This ensures that the report meets all legal and regulatory requirements, providing a transparent and accurate account of the Company's operations.

1.4 FINANCIAL STATEMENTS →

The financial statements for the fiscal year ending 31 December 2024 have been prepared in full accordance with the International Financial Reporting Standards (IFRS) as endorsed within the Kingdom of Saudi Arabia. Furthermore, these statements also adhere to the additional standards, regulations, and directives set forth by the Saudi Organization for Certified Public Accountants (SOCPA), ensuring full compliance with both local and international accounting requirements.

1.5 QUERIES →

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02 ABOUT SAUDI RE

Among the **top Reinsurance** Companies in the Middle East.

The Kingdom's **sole specialized and licensed** reinsurance company

A- rating and gcAAA regional scale rating by **Standard & Poor's S&P** (Stable Outlook)

Gross Written Premiums (GWP) 2024 Performance
⃁ 2.36 billion

A3 rating and A1.sa National rating by **Moody's** (Positive Outlook)

Capital
⃁ 891 million

2.1 WHO WE ARE →

Established in 2008, Saudi Re is the sole licensed and specialized reinsurance company in the Kingdom of Saudi Arabia and among the top performing reinsurance companies in MENA region, functioning under the regulatory oversight of the Insurance Authority (IA) that provides reinsurance solutions in various lines of business. We operate in a G20 economy, which boasts one of the world's most rapidly expanding insurance markets, offering us substantial prospects for advancement and growth.

Being a publicly listed company on the Saudi Stock Exchange and boasting a diverse investor base, Saudi Re is strategically positioned to chart a sustainable path of growth, ensuring its long-term success within the dynamic reinsurance industry.

We are proud to be a portfolio company of the Public Investment Fund (PIF), which strengthens our ability to drive innovation and resilience in the reinsurance sector, aligning with Saudi Arabia's Vision 2030. This position within the PIF ecosystem allows us to access world-class expertise, financial strength, and collaborative opportunities, accelerating our global growth.

In 2024, Saudi Re maintained a rating of "A-" for its long-term issuer credit and insurer financial strength. Furthermore, the Company continued to hold a "gcAAA" regional scale rating, with a stable outlook, as assessed by Standard & Poor's Global Ratings (S&P). Additionally, of capital adequacy levels continued to surpass the "AAA" threshold within S&P's assessment model. Moody's reaffirmed Saudi Re's rating at A3 Insurance Financial Strength Rating (IFSR) on the international scale and at A1.sa on the national scale IFSR, with a positive outlook.

The Company's robust financial ratings can be attributed to multiple key factors: strong brand presence, leading market position in Saudi Arabia, the Company's expanding footprint in strategic markets, including Asia, Africa, and Lloyd's. Saudi Re's financial strength is underpinned by: a strong asset portfolio, sound capital adequacy levels, and financial flexibility. Notably, the company also maintains a conservative investment portfolio, has low exposure to natural catastrophe risks, and maintains non-existent leverage with favorable access to capital markets in Saudi Arabia. Additionally, Saudi Re benefits from a unique advantage within the Saudi market – a right of first refusal on a portion of premiums ceded by primary carriers. These factors play pivotal roles in shaping its positive rating.

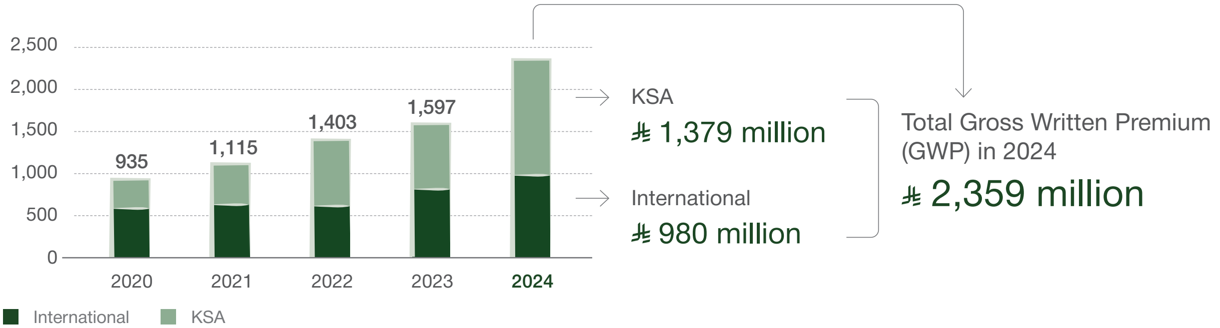
In the development of strategies and policies, Saudi Re adheres to a sustainability framework that aligns with globally recognized standards. This comprehensive approach ensures the integration of Environmental, Social, and Governance (ESG) principles and sustainability mandates throughout all areas of the Company's operations. Saudi Re is a Sharia-compliant company.

2.2 WHAT WE DO →

Saudi Re specializes in providing facultative and treaty reinsurance solutions across a range of insurance classes, including property, engineering, liability, marine, motor, life, and health. Saudi Re aims to enhance the localization of reinsurance activities and ensure premiums remain within the Kingdom.

Saudi Re places a strong emphasis on fostering client relationships, via direct and broker channels. These relationships are managed by the underwriting teams, supported by a robust technological and analytical infrastructure. The Company's underwriting proficiency, coupled with formidable analytical and actuarial capabilities, contributes to prudent risk assessments and pricing strategies. Additionally, Saudi Re has cultivated valuable partnerships with retrocession reinsurers, which play a pivotal role in mitigating risks in the event of catastrophic events.

Gross Written Premium (GWP)
(⃁ million)



02 ABOUT SAUDI RE

2.3 VALUE DRIVERS: 2024 AT A GLANCE →

NET PROFIT

⃁ 474.8 million

2024

2023 ⃁ 124.4 million

UNDERWRITING RESULTS

⃁ 142.5 million

2024

2023 ⃁ 119.8 million

INTERNATIONAL BUSINESS (GWP)

41%

2024

2023 51%

TOTAL ASSETS

⃁ 3,418.4 million

2024

2023 ⃁ 2,581.6 million

SHAREHOLDERS' EQUITY

⃁ 1,611.9 million

2024

2023 ⃁ 1,146.8 million

COUNTRIES IN OPERATION

40+ Countries

2024

2023 40+ Countries

GROSS WRITTEN PREMIUM (GWP)

⃁ 2,359 million

2024

2023 ⃁ 1,597 million

COMBINED RATIO

93.95%

2024

2023 89.90%

ROE

41.4%

2024

2023 12.2%

EARNINGS PER SHARE

⃁ 5.33

2024

2023 ⃁ 1.40

CREDIT RATING

A- S&P, Stable Outlook

A3 Moody's Positive Outlook

2.4 AWARDS AND RECOGNITION →

2.5 FINANCIAL SUMMARY →

	31 December 24 ⃁ '000	31 December 23 ⃁ '000
Reinsurance revenue	1,129,966	627,187
Reinsurance service expenses	(987,822)	(509,774)
Net income from retrocession contracts	389	2,350
Reinsurance service result	142,532	119,762
Net investment income	440,181	60,388
Net financial result	402,753	25,762
Net reinsurance and investment result	545,285	145,524
Net income for year before zakat and tax	505,716	158,562
Total comprehensive income for the year	465,093	126,445
Total shareholders' equity	1,611,915	1,146,822

03 THE NATIONAL REINSURER

A National Champion Shaping the Future of the Industry

As the National reinsurer, we welcome the pivotal role Saudi Re plays in fostering a robust insurance ecosystem; one that empowers the primary insurance industry, bolsters national economic growth and resilience, and furthers the Kingdom's visionary agenda. A stronger insurance system not only contributes to a secure and stable economy, it also directly supports national interventions and recovery efforts during times of crisis.

We actively support primary insurers in unlocking their potential for growth; providing the necessary reinsurance capacity and expertise to navigate complex risks and expand their market reach. As the Kingdom's first full fledged reinsurer, we recognize our role and responsibility in advancing the sector by elevating professional standards, fostering best practices, and developing tailored and innovative solutions that directly address specific risk management needs of the evolving Saudi market. In addition to traditional products, we continually respond to market needs with sophisticated solutions; such as Inherent Defects Insurance (IDI) for the construction sector, Cybersecurity Insurance, Employer Default Coverage, and Surety Bonds.

We also engage and work closely with a wide swathe of stakeholders in the insurance ecosystem, including insurance providers, brokerage firms, and protection-focused entities. Fostering collaboration and building strong and lasting partnerships within the industry ensures optimal service delivery; which in turn facilitates seamless risk-sharing and financial security solutions for multiple industries.

A hallmark of our fifteen-year journey has been the development of human capital behind the insurance industry. We are proud to have brought insurance professionals to the fore: supporting youth in the job-market, contributing to career development, providing specialized training, incorporating new technology, and fostering innovative thinking.

Fueling Economic Resilience and Transformation

Saudi Re plays a significant role in enhancing the resilience of the Saudi Arabian economy by providing a comprehensive suite of reinsurance solutions. While maintaining a broad underwriting portfolio spanning diverse sectors in property and casualty, and life and health, we are actively developing our presence in key emerging sectors; aligned with the Kingdom's Vision 2030. Our solutions play a critical role in safeguarding and protecting national assets, domestic enterprises, and local communities; ensuring business continuity and economic stability by mitigating risks associated with commercial activities within the Kingdom. Furthermore, our efforts actively close the protection-gap and promote financial inclusion by improving access to risk mitigation tools and making sure insurance is embedded in the economy.

We are also privileged to be involved in shaping the future of the Kingdom as our leadership position enables us to secure adequate capacity and effectively underwrite complex risks associated with large-scale developments. These landmark projects are improving economic diversification, reducing dependence on oil revenues, and reshaping key sectors of the economy. Our engagement, in the form of robust risk management and financial protection, ensures that primary insurers, contractors, investors, and other stakeholders are better able to manage the substantial risks inherent in these transformative giga-projects.

Leading through Local Content Development

As a home-grown reinsurer leading the sector in Saudi Arabia, our growth and capacity directly contribute to local content development. By retaining reinsurance premiums within the Kingdom, we enhance their value to the national economy and promote industry localization; while cultivating national talent, and creating valuable local employment opportunities. Energized by a new strategic partnership with the Public Investment Fund (PIF), our anchor shareholder, and spurred on by our growth ambitions set out in Strategy Towards 2028; we are scaling up domestic capacity to meet market growth and demand, while ensuring more reinsurance premiums stay within Saudi Arabia.

We ensure that the Company's resource allocations are closely aligned to the Kingdom's priorities and development goals as outlined in Saudi Vision 2030. Mainstreaming and integrating ESG considerations, part of our holistic approach to sustainability, is a key element in this process; as we drive better environmental outcomes, maintain compliance with Sharia principles, and uphold the highest ethical standards. This enables us to de-risk key industries and infrastructure projects, enhance access to quality financial services for insurers and their policyholders, and serve as a strategic anchor that advances the Kingdom's broad-ranging development.

Insurance Export, A Strategic Lever for Sector Growth

Over the last 15 years, we have strategically expanded our global footprint, strengthened our presence in over 40 international markets, established a strong network of partners, and built trust in the Kingdom's insurance sector through continuous engagement.

We stand as the only insurance company in the Kingdom actively engaged in exporting reinsurance services; a testament to our expertise, financial strength, and adaptability.

Our ability to navigate diverse market environments, deal with multiple regulators, and operate seamlessly across borders positions us as a key player in the global reinsurance market.

By extending our services beyond Saudi Arabia's borders, we contribute to enhancing the Kingdom's economic footprint, increase foreign exchange inflows, and bolster the competitiveness of the local insurance sector through the crucial transfer of expertise and know-how.

Our unique access to the full insurance and reinsurance ecosystem – spanning global insurers and reinsurers, brokers, and regulatory bodies – allows us to effectively bridge gaps between local and international markets. This strategic positioning not only enhances our capability to offer comprehensive risk solutions, but also reinforces our role as a regional leader and the national reinsurance champion-exporting Saudi expertise to the globe.

Commitment to the Long-term Stability of the Economy

Our strategic partnership with the Public Investment Fund (PIF), anchor shareholder, underscores our commitment to advancing the national insurance sector in alignment with broader economic goals. This collaboration is built on a shared vision to enhance insurance practices, develop the market, and contribute to the long-term stability of the economy by de-risking key industries and infrastructure projects.

Honored to serve the nation as a Reinsurer Champion in the helm of the industry, we reflect on our vital role in supporting the national economy, serving as a strategic anchor in advancing the country's broad-ranging development towards Saudi Arabia Vision 2030.

04 CHAIRMAN'S STATEMENT

In continuation of the Company's sustainable growth journey, "Saudi Re" achieved a record breaking performance in 2024, with profits reaching ⃁ 475 million and an ROE of 41%, alongside EPS of ⃁ 5.33, paving the way for the realization of our ambitious strategic goals.

OUR VALUED SHAREHOLDERS,

Grounded on sustainable profitable growth, 2024 was another successful year for Saudi Re, resulting in ⃁ 475 million and record high 41% Return on Equity (RoE) with ⃁ 5.33 Earning Per Share (EPS), which pave the way for our ambition future growth.

In 2024, Saudi Re stood out as one of highest performing Saudi listed companies in terms of total shareholders return as our share price echoed our strong performance and achieved its all-time high.

The global reinsurance market was faced with numerous challenges stemming from increased natural catastrophe losses, continued geopolitical uncertainties, moderated economic growth, persistent inflation and financial market risks, among other factors.

Saudi Re has navigated these challenging market conditions to leverage price corrections with renewed focus on profitable segments. While we anticipate potential medium-term market softening, our strategy focuses on maintaining our positive performance through strategic volatility management, risk control, and strengthening our presence in lucrative segments. The Company aims to capitalize on the Kingdom's favorable regulatory and market conditions, specifically the local retention of reinsurance premiums. This will empower the sector to assume a more active and prominent role.

4.1 UNPARALLELED ACHIEVEMENT →

In 2024, Saudi Re achieved a historic milestone, reporting Gross Written Premiums (GWP) of ⃁ 2.36 billion, representing a significant 48% year-on-year (YoY) growth. This record-breaking premium level firmly reinforces Saudi Re's position as a leading reinsurer in the Middle East. We have displayed strong growth momentum, achieved over the last five years, which has contributed to growing the topline; with 80% increase in reinsurance revenue, and an almost 19% increase in reinsurance service result.

Alongside the strong performance in our core business, we successfully executed strategic transactions, implemented a proactive investment strategy, and managed ongoing operational enhancements, which combined deliver a substantial improvement to our bottom line, boosting Saudi Re's Net Profit after Zakat and Tax by 282% to reach ⃁ 474.8 million by the end of 2024.

These achievements have bolstered our financial strength, growing the shareholders equity by 41% and maintaining a solid credit rating.

The sale of our 49.9% stake in Probitas Holdings (Bermuda) Limited (PHBL) and its subsidiaries. was successfully completed in July 2024, with a total consideration of GBP 123 m representing nearly six times the initial investment. This strategic divestment has significantly strengthened our financial position and underwriting capacity, enabling us to pursue the Company's strategic growth ambitions in 2024 and beyond.

In January 2025, we finalized a significant capital increase by 30% by issuing new shares to the Public Investment Fund (PIF), resulting in PIF acquiring a 23.08% stake in the Company and reinforcing Saudi Re's position as the national reinsurer, while diversifying globally.

4.2 OUR COMMITMENT TO SUSTAINABILITY AND SOUND GOVERNANCE →

Environmental, Social, and Governance (ESG) principles play a pivotal role in realizing the objectives of Vision 2030. Through our holistic approach, we strive to set regional benchmarks for responsible business practices and create tangible value for all stakeholders

04 CHAIRMAN'S STATEMENT

In 2024, Saudi Re overhauled its governance framework to ensure transparency, efficiency, and strategic oversight. The company enhanced its enterprise risk management framework under the supervision of the Risk Management Committee. To streamline decision-making, the Company updated its delegation of authority framework. Furthermore, Saudi Re strengthened its policies and procedures in underwriting to enhance risk assessment and better manage exposure to volatile sectors.

Additionally, the Board of Directors charter was also revised, strengthening governance by clearly outlining board responsibilities and oversight. All these initiatives lead to more strategic decision-making and improved alignment with international best practices. A recent BoD performance assessment was conducted resulting in enhanced effectiveness, improved board training, and streamlined decision-making processes, ensuring proactive leadership in a dynamic market.

4.3 OUR STRATEGIC DIRECTION →

In 2024, we launched Strategy Towards 2028, with a clear vision to grow Saudi Re into a diversified and robust top 50 global reinsurer, while contributing significantly to the Kingdom's economic advancement. Two primary objectives underpin our strategy: leveraging the potential of the Saudi economy and maintaining a balanced local and international portfolio.

Our four-year roadmap takes a comprehensive understanding of the evolving dynamics of the local reinsurance landscape, global consolidation trends, and most importantly, our alignment with the Kingdom's strategic objectives for the sector. Our overarching aim remains delivering exceptional value to our shareholders.

Saudi Re's strategic priorities are centered on achieving sustainable growth and stability through scaling operations, diversifying our portfolio, enhancing technical and operational capabilities, strengthening long-term relationships, and maintaining financial soundness.

We successfully achieved our 2024 targets and launched several strategic initiatives to strengthen our capabilities. Additionally, we completed the scheduled transactions to support the execution of our ambitious strategy, most notably the entry of the Saudi Public Investment Fund as a strategic shareholder in the Company.

I would like to highlight the decision of Board of Directors on 13 March 2025, recommending to the Extraordinary General Assembly an increase in the Company's capital from ⃁ 1.158 billion to ⃁ 1.698 billion, a 46.6% increase with granting bonus shares. This step aims to support the company's growth, strengthen its financial position, and reflects its outstanding performance, which creates value for shareholders.

4.4 ACKNOWLEDGEMENTS →

I would like to take this opportunity to welcome my colleagues who have joined the Board of Directors: Mr. Fahad Al-Jumaih, Mr. Mohammed Al-Sudairy, and Mr. Christoph Thomas Fischer Hirs. I also want to express my sincere thanks and appreciation to the former members for their support throughout the company's journey.

Saudi Re's exceptional performance in 2024 reflects the expertise and vision of our Board and senior leadership, whom I thank sincerely for their guidance throughout this momentous year. My heartfelt gratitude goes to our dedicated workforce, whose vital contributions have been integral to our growth and success. With continued focus on ensuring sustainability, fostering innovation, and creating long-term value for all stakeholders, and as we explore new opportunities in a dynamic and promising market, I am confident that Saudi Re will achieve even greater milestones in the future for the benefit of its shareholders, clients, partners and all stakeholders.

Abdullatif Al-Fozan
Chairman of the Board

Our strategic partnership with the Public Investment Fund (PIF) will strengthen the Company's leadership position locally, bolster our regional and international presence, enhance our financial strength, and improve our credit rating, aligning with the objectives of Saudi Vision 2030.

05 CHIEF EXECUTIVE OFFICER'S STATEMENT

We take great pride in achieving exceptional financial results in 2024, further solidifying our financial resilience and competitive standing.

The most notable achievement of the year was a substantial 282% increase in net profit after Zakat, reaching ⃁ 475 million, driven by strong underwriting performance and robust investment returns. This enhanced profitability also contributed to a 41% rise in shareholders' equity, which reached ⃁ 1.6 billion by the end of 2024. Similarly, earnings per share saw a significant increase, rising to ⃁ 5.33 from ⃁ 1.40 in the previous year.

Saudi Re prioritized enhancing client and broker relationships while expanding underwriting activities, driving robust growth in written premiums both domestically and internationally. This resulted in a remarkable 48% year-on-year increase, reaching approximately ⃁ 2.36 billion.

Reinsurance revenues surged to ⃁ 1.1 billion by year-end, marking an exceptional 80% increase over the prior year. Additionally, reinsurance service results grew by 19%, with profitability recorded across most business segments. This reflects our strong financial performance and operational efficiency, despite elevated claims arising from major events and natural catastrophes.

A key driver of our profitability in 2024 was the exceptional 629% growth in net investment income, fueled by the realized gains from the successful divestment of our ownership in "Probitas" and our strategic approach, which delivered substantial returns throughout the year.

These comprehensive results are a direct outcome of our continuous strategy aimed at strengthening the performance of our core insurance sectors, expanding into new, profitable sectors, and evaluating underperforming businesses within the portfolio. Over the past five years, this strategy has enabled the Company to achieve significant growth, reflected in a compound annual growth rate (CAGR) of 60% in net profit after zakat and a 24% CAGR in total written premiums.

These remarkable achievements are reflected in Saudi Re maintaining its strong credit rating of "A-" from S&P with a stable outlook. Additionally, Moody's maintained our international financial strength rating of A3 with a positive outlook. These strong ratings reflect the efficiency of our strategy, governance, and financial management, which support our investment environment and strengthen our leading position in the Saudi market, as well as our ongoing expansion in Asia and Africa.

5.1 STRATEGIC INITIATIVES →

Alongside successfully meeting our 2024 strategic objectives, we initiated several programmes to advance our long-term strategy, focusing on enhancing our capabilities across multiple levers. Additionally, we finalized key strategic transactions in 2024, reinforcing our vision of positioning Saudi Re as a global, diversified reinsurer among the top 50 reinsurers worldwide, while supporting the Kingdom's economic growth.

A landmark of the year was Saudi Re's strategic subscription agreement with the Public Investment Fund (PIF), to facilitate a capital increase from ⃁ 891 million to ⃁ 1.15 billion, resulting in a 23.08% ownership stake.

This strategic partnership will strengthen the Company's leadership position locally, bolster our regional and international presence, enhance our financial strength, and improve our credit rating. This significant milestone aligns with the objectives of Saudi Vision 2030 and will support the growth of the Kingdom's insurance sector, which is a critical component in achieving sustainable economic growth. It will also enable Saudi Re to provide greater underwriting capacity to cover risks, retain more reinsurance premiums locally, and develop innovative solutions for business activity coverage, thereby increasing the financial flexibility of the economy.

Achieving a six-fold return, the GBP £123 million sale of our 49.9% stake in Probitas Holdings (Bermuda) Limited (PHBL) and its subsidiaries, has strengthened our financial and underwriting capabilities. This divestment enables resource reallocation towards domestic and international expansion, aligning with our strategic objectives.

5.2 GREATER ENGAGEMENT WITH CLIENTS AND PARTNERS →

In 2024, Saudi Re intensified its customer relations activities to enhance interactions with both current and potential clients. These efforts contributed to the growth of the Company's portfolio and resulted in leading new reinsurance treaties. Additionally, Saudi Re launched a digital platform to deliver services to clients and brokers more effectively and seamlessly. This initiative was complemented by organizing several seminars and training sessions for clients, participating in specialized insurance and reinsurance conferences, and sponsoring major events such as the General Arab Insurance Federation (GAIF), and the Society of Actuaries regional symposium.

In an effort to strengthen strategic alliances, Saudi Re has signed a Memorandum of Understanding with the Saudi Mortgage Guarantees Services Company "Damanat". This partnership aims to enhance the mortgage financing sector through better risk management and the development of innovative solutions in insurance and reinsurance.

5.3 BOOSTING OPERATIONAL EXCELLENCE →

As part of our 2028 strategy, Saudi Re has focused its efforts on enhancing both technical and operational capabilities to ensure that our services evolve in line with the expectations of our clients. These efforts include developing a digital transformation plan, acquiring advanced solutions in risk management, natural catastrophe modeling, and investing in AI applications and robotic process automation. The Company has also invested in creating an attractive work environment, improving productivity, and providing specialized training and development opportunities for our employees, along with attracting skilled professionals with exceptional expertise.

5.4 PRODUCT INNOVATION →

Saudi Re takes pride in its pivotal role in providing the necessary reinsurance capacity and expertise to support main insurance sectors. Additionally, it offers advanced and innovative solutions that address the evolving risk management needs of the Saudi market, enabling insurance companies to achieve their ambitions, drive economic growth, and contribute to the Kingdom's ambitious vision.

In this context, the Company developed a surety bond product in partnership with the Public Investment Fund, the insurance sector, and with the support of the Insurance Authority. This programme is a financial guarantee solution that aims to ensure contractors meet their contractual obligations on construction projects developed for the Public Investment Fund's (PIF) Development Companies.

Additionally, the Company signed a reinsurance agreement with Al-Etihad Cooperative Insurance Company, in collaboration with the Ministry of Human Resources and Social Development and the Insurance Authority. This reinsurance provides essential protection for the entitlements of foreign workers in the private sector, in case of employer defaults.

5.5 ACKNOWLEDGEMENTS →

In conclusion, I would like to express my sincere gratitude for the valuable contributions of our clients, partners, and shareholders, and for the trust they have placed in us. This trust has played a pivotal role in driving growth and accelerating positive performance. I also extend my sincere thanks to our team for their unwavering dedication and efforts, as their commitment to excellence remains a cornerstone of our success. Furthermore, the support of regulatory bodies has been essential in overcoming challenges and developing the regulatory environment. As we move forward, we renew our commitment to strengthening our relationships with stakeholders and advancing our shared success.

Ahmed Al-Jabr
Chief Executive Officer

BUSINESS CONTEXT, STRATEGY AND PERFORMANCE

06 MARKET REVIEW

6.1 2024: YEAR IN REVIEW →

In 2024, the global economy effectively navigated a complex landscape of geopolitical uncertainties, shifting financial conditions, and evolving consumer dynamics, showcasing its resilience against adversity. Despite ongoing challenges, the progress achieved in stabilizing growth and controlling inflation provides a promising outlook for a more balanced and sustainable economic trajectory in the year ahead.

The Gulf Cooperation Council (GCC) economies have proven robust despite volatility in the Middle East. The region's economic prospects remain favorable, driven by a major transformation towards a less oil-dependent future. This shift is fueling increased demand for risk and insurance solutions. Notably, regional GDP growth continues to surpass the global average, supported by large-scale infrastructure investments in crucial sectors such as construction, transportation, and water.

Asia and Africa remain the world's leading economic growth regions, a result of strong public infrastructure investment and supportive regulatory frameworks. Africa, home to 11 of the 20 fastest-growing economies, benefits from increased infrastructure investment and economic diversification policies. Asia, led by China and India, continues its rapid growth, with countries like Indonesia implementing ambitious development initiatives.

Saudi Arabia's economy witnessed growth where GDP rose 4.5% year-on-year, reaching ⃁ 4.07 trillion for the year. This growth was primarily driven by robust expansion in non-oil sectors. Notably, the wholesale, retail trade, and hospitality sectors led annual economic growth, rising 6.4%, followed by financial services, insurance, and business services at 5.7%. Despite fluctuations in the oil sector and expenditure components, such as a decline in gross fixed capital formation, the Kingdom's overall economic picture reflects sustained growth in its non-oil sector and successful navigation of economic challenges through strategic diversification.

6.2 UNLOCKING OPPORTUNITIES IN GLOBAL REINSURANCE →

Traditional reinsurance capital, after a sharp decline in 2022, has rebounded, exceeding USD 500 billion in 2024. The deployment of alternative capital also reached an all-time high of USD 13 billion, with the catastrophe bond market expanding to USD 107.1 billion, reflecting an 11% annual increase. This trend emphasizes the growing role of alternative capital in complementing traditional reinsurance solutions. Furthermore, compulsory cessions in markets like India, and across Africa aim to retain premiums domestically, strengthening financial stability and fostering local reinsurance capacity.

The industry displayed remarkable adaptability, achieving significant growth and stability in recent years. Globally, reinsurance carriers have outperformed other sectors, with the market's return on equity (ROE) surpassing the cost of capital for the first time in four years. This resurgence is attributed to improved underwriting profitability, disciplined pricing, and capital gains.

The impact of natural disasters

Global natural disasters in 2024 resulted in total losses of USD 320 billion, an increase from the inflation-adjusted USD 268 billion in 2023, with approximately USD 140 billion covered by insurance. Extreme weather events, such as hurricanes, thunderstorms, and floods, were the primary drivers, representing 93% of total losses and 97% of insured losses. Flooding has emerged as a particularly significant risk, with major flood catastrophes in 2024 resulting in global industry losses of USD 18.2 billion, accounting for 78% of payouts. In terms of insured losses, 2024 was the third most expensive year on record, and the fifth most expensive for total losses since 1980.

The MENA region, traditionally viewed as having low natural catastrophe (Nat Cat) risk, has experienced a shift in recent years. Events like the hurricane in Oman and the Dubai floods have indicated a growing exposure to natural disasters. The Dubai floods, with unprecedented rainfall and estimated insured losses reaching potentially USD 3.5 billion, significantly impacted the reinsurance market in 2024. This underscores the region's increasing vulnerability and the need for enhanced natural disaster coverage.

A notable trend observed in recent years is the increasing frequency of smaller, yet costly, natural catastrophe events. In 2023, global insured losses exceeded USD 100 billion without a single event surpassing USD 10 billion, a first in six years. This pattern highlights the need for the reinsurance industry to adapt its underwriting practices as more regions are classified as high-risk.

6.3 INSURANCE MARKET PERFORMANCE IN THE GULF REGION →

During the year under review, Saudi Arabia led the region in insurance revenue, generating over USD 12.5 billion. The United Arab Emirates followed with over USD 7 billion, and Qatar ranked third with over USD 3 billion. Kuwait, Oman, and Bahrain also contributed to the sector's growth. This strong performance is driven by extensive infrastructure development and increasing demand for motor and medical insurance. The UAE's insurance market is projected to grow at a CAGR of 4.9%, while Kuwait is anticipated to experience the highest regional growth, with a CAGR of 6.4%, attributed to steady population growth.

6.4 THE SAUDI INSURANCE AND REINSURANCE LANDSCAPE →

Market growth and development

Saudi Arabia's insurance market is expanding rapidly, with the reinsurance sector benefiting from capital growth and a favorable market cycle. Improved profitability is driven by pricing discipline and de-risking strategies. As one of the world's fastest-growing markets and the largest in the Middle East by GWP, the Saudi insurance sector offers significant potential, contributing to national economic growth, investment attraction, and job creation.

The Insurance Authority (IA) is leading market development through the National Insurance Strategy and has consolidated regulatory authority over the sector. To maximize domestic premium retention, the IA is implementing a phased local cession of reinsurance premiums: 20% in 2023, 30% for treaty contracts by early 2025, and 30% for facultative contracts from 1 January 2025. This new mechanism is expected to strengthen the domestic reinsurance ecosystem and enable the national reinsurance market to play an active role.

Capital restructuring and market consolidation

The Saudi insurance market has undergone significant capital restructuring, primarily through capital increases by established players, alongside the entry of new international participants. Additionally, several Memoranda of Understanding (MoUs) for mergers were signed, with some mergers successfully concluded over the past year, indicating a trend toward market consolidation.

Investment and product innovation

The Public Investment Fund (PIF) investment is expected to amplify the insurance and reinsurance sector's economic impact. The Insurance Authority has also issued a standard civil liability policy for high-risk areas. Innovative insurance products have been introduced, enhancing coverage and risk management, including the Surety Insurance Bonds Coinsurance Program, employer's default coverage, and cultural insurance.

6.5 FUTURE OUTLOOK →

The global economy and insurance in 2025 and 2026

Global GDP growth is projected to remain steady at 3.3% for both 2025 and 2026. Global headline inflation is expected to continue its decline, reaching 4.2% in 2025 and 3.5% in 2026. The medium-term economic outlook is primarily subject to downside risks, while the near term presents a mix of potential upside and downside scenarios due to elevated policy uncertainty. Policy-driven disruptions to disinflation may hinder monetary easing, threatening fiscal and financial stability.

06 MARKET REVIEW

Both Insurers and reinsurers have benefited from increased capital and capacity. However, premium rates are moderating, with a projected global premium growth of 2.3% annually in real terms over 2025 and 2026.

The global reinsurance market is expected to stabilize, with potential mild softening in pricing over the next few years. However, the industry is entering 2025 in a strong position and well-positioned for continued growth, with major rating agencies anticipating sustained profitability, robust capitalization to withstand potential shocks, favorable pricing, and strong investment income. Additionally, the continued growth of alternative capital markets and a stable outlook across various lines of business support sustained success.

Vision 2030 and the Future of Saudi Insurance and Reinsurance

Saudi Arabia's Vision 2030 is fueling an immense USD 1.3 trillion investment across key sectors, including real estate, infrastructure, and transportation, with USD 164 billion already awarded in real estate contracts.

The Vision aims to raise home ownership among Saudi citizens to 70% by 2030 to accommodate population growth estimates. Tourism is also set to soar, with a target of 150 million annual visitors by 2030,
These ambitious giga-projects are fundamentally reshaping the Kingdom's urban landscape, tourism, and commercial sectors, paving the way for unprecedented economic growth.

Considering the Kingdom's continued efforts in economic diversification, sustained growth of the non-oil sector, and development of the local capital market, Standard & Poor's has upgraded Saudi Arabia's credit rating to A+ with a stable outlook.

The Saudi insurance sector is projected to maintain strong profitability in the short to medium term.
It is poised for further consolidation in 2025 driven by new minimum capital requirements, compelling insurers to raise additional capital or pursue mergers and acquisitions to meet solvency standards, thus intensifying M&A activity. The Kingdom's general insurance market is poised for significant growth, with gross written premiums (GWP) projected to increase from ⃁ 68.8 billion (USD 18.4 billion) in 2024 to ⃁ 105.3 billion (USD 28.1 billion) by 2029, reflecting a compound annual growth rate (CAGR) of 8.9%.

Reinsurers are projected to maintain strong profitability in the short to medium term. Over the next two years, growth will be primarily driven by Vision 2030 projects and initiatives, including giga projects, World Cup 2034, and Expo 2030. National infrastructure developments, alongside mandatory health and motor insurance, will further contribute to sector growth. Digital transformation and enhanced risk management will play a crucial role in market stability.

STRATEGIC DIRECTION

Our vision is “To evolve into a large and diversified reinsurer contributing to the growth of our economy aiming to be ranked among the top 50 global reinsurers” which is anchored at the core of our activities. Saudi Re has developed Strategy Towards 2028; a strategic blueprint that will enable the Company to play an anchor role as a National Reinsurer strengthening domestic retention and drive innovation to better capture new and emerging risks in local and international markets.

Our Strategy Towards 2028 is strongly aligned with the overarching Saudi Vision for the insurance sector:

Increase GDP diversification and increase sector contribution to oil and non-oil GDP

Develop highly specialized talent pool of Saudi Nationals

De-risk the KSA economic growth by providing local content solutions to retain and absorb risks locally

Supporting insurance solutions for emerging risks

Saudi Re’s focuses on leveraging extensive domestic prospects while expanding internationally to foster diversification, ultimately establishing ourselves as a prominent global reinsurer within the global top 50.

Strategic Direction and Future Outlook

Driven by the dedication to solidify its status as a national champion, Saudi Re pursues two primary strategic objectives aimed at sustaining profitable growth locally and internationally:

Capitalizing on the growth potential of the Saudi economy and leveraging our advantageous presence in the Kingdom to:

- Support Saudi Vision 2030 and de-risking economic growth
- Play an anchor role in increased domestic market retention and absorption of risks
- Drive innovation to better capture new and emerging risks

Maintaining a well-balanced portfolio with healthy composition of local and international business by:

- Becoming a prominent exporter of reinsurance capacity through the prudent underwriting of international risks
- Harnessing existing global reach to advance into new markets and vital capabilities.

07 STRATEGIC DIRECTION

The strategic plan was formulated with careful consideration of a range of market trends, including economic, geopolitical, social, technical, and technological factors. The strategy continues to center around the following five pillars:

Scale

We prioritize the pursuit of scale, which involves expanding our economic scale, earnings, and capital base, as well as enhancing our resilience to major losses.

Diversification

Our strategy includes diversification, both geographically and in terms of risk type, to ensure a well-balanced portfolio.

Technical and operational capabilities

We are dedicated to continuously improving our technical and operational capabilities, which include risk management, technological advancements, and human capital development.

Relationships

We are dedicated to continuously improving our technical and operational capabilities, which include risk management, technological advancements, and human capital development.

Financial soundness

Maintaining financial soundness is critical to the strength and stability of our business. We strive to maintain technical profitability, adequate capitalization, and favourable returns on investment.

Growing economies of scale is a crucial aspect of our strategy, as it enables us to reduce volatility and absorb large losses more easily. By attaining economies of scale, we can make larger investments in developing our capabilities and enhancing our operational efficiency. Furthermore, our scale benefits enable us to earn investment income from premium floats, thereby boosting our investment performance. To support our expansion efforts, we will continue to explore opportunities in high-growth markets in the Middle East and Asia. The strength of Saudi Re brand and our cooperative model provide further advantages in these markets.

Diversification is a crucial element of our strategic approach, enabling us to minimize correlated risks, concentration risks, and accumulation risks: ensuring a more balanced reinsurance portfolio is maintained with reduced volatility. Our efforts to diversify globally have resulted in a sound portfolio that consists of over 40 markets in the Middle East, Asia, and Africa. At present, our international business accounts for 41% of our portfolio.

Saudi Re also continually strives to build strong capabilities that span the entire gamut of operations in the reinsurance industry. Our underwriting team possesses strong professional skills and an in-depth understanding of the regional risk profile, guided by clearly defined risk appetite parameters. Actuarial and analytical teams work closely with the underwriters to judiciously better manage our underwriting portfolios, while our streamlined claims management, supported by technical accounting, ensures efficient operations. Saudi Re actively utilizes retrocession to manage risk exposure and mitigate the impact of volatility. Furthermore, our growth and decision-making processes are supported by our advanced capital modeling capabilities, allowing us to make informed and effective decisions.

At Saudi Re, we pride ourselves on our comprehensive operational capabilities. Our team possesses advanced technological, decision-making, and human resources skills. Our client servicing is well supported by advanced technological, analytical, and communication infrastructure, which enables us to be highly responsive to client needs. Our lean and cost-efficient infrastructure allows for efficient operations.

We take a holistic approach to risk management, implementing prudent policies and programmes and closely monitoring the risk management process through the Risk, Technical, and Audit Committees of the Board.

Looking to the future, we are committed to leveraging our competitive advantage in the Saudi market by not only retaining our market share but also capitalizing on the growth opportunities presented by the expanding Saudi economy. Saudi Re is also determined to utilize its expertise and experience in the reinsurance industry to achieve sustainable long-term growth in inherent defects insurance and other classes.

Our strategy involves building and strengthening long-term relationships with clients and brokers, which is managed prudently by our skilled underwriting teams. We seek to establish strong links with high-value counterparties, and our markets in Asia are served by the branch in Kuala Lumpur. Brokers are also integral to our business process. Through leveraging the strong links, we have established with retrocession insurers, we are able to increase our capacity by reducing risk

To maintain the financial health of the Company, financial soundness is continuously monitored using indicators for all criteria, including:

- **Capital adequacy and solvency –** measured by relevant ratios and internal capital model
- **Asset quality –** includes quality of investment portfolio and asset liability matching
- **Retro and actuarial provisions –** strong reserving and a high-quality retrocession programme is in place
- **Management strength –** effective enterprise risk management programme
- **Earnings and profitability –** measured by relevant ratios
- **Liquidity –** a highly liquid investment portfolio is maintained
- **Sensitivity to market risk –** limited exposure to equity markets

7.1 OVERVIEW OF NEW DEVELOPMENTS IN 2024 →

The company has successfully completed two significant transactions, reinforcing its capital base and enhancing its ability to seize new opportunities in both local and international markets.

Capital increase

On 15 January 2025, Saudi Re and Public Investment Fund (PIF) have announced the completion of the capital increase transaction through a direct offering, where PIF acquires 23.08% stake in Saudi Re by way of a capital increase and subscription to new shares.

This strategic investment aims to enhance the company's financial capacity, bolster its credit rating, and strengthen its position as the National Reinsurer. By increasing domestic reinsurance capacity, the investment supports the growth of the Saudi insurance sector, allowing more premiums to remain within the country and improving risk management for local insurers. This move is expected to contribute to the overall financial resilience of Saudi Arabia's economy.

Sultan Alsheikh, Head of Financial Institutions in MENA Investments at PIF, said:

By investing in Saudi Re, PIF is reinforcing a leading regional reinsurer and strengthening Saudi Arabia's insurance sector, which is an essential component of sustainable economic growth. This enhances access to quality financial services for insurers and their policyholders, and strengthens the sector."

07 STRATEGIC DIRECTION

Probitas divestment

On July 2024, Saudi Re have announced the completion of the sale of its 49.9% stake in Probitas Holdings (Bermuda) Limited to Aviva Insurance for GBP 123 million; six-fold return on the initial investment enhancing our financial position and redirecting the proceeds to support our underwriting capacity for local and international growth initiatives.

This investment enabled Saudi Re to develop experience in international investment and strong understanding of Lloyds market dynamics. Investment in Probitas supported the growth and profitability for Saudi Re for the last six years and reached its potential.

7.2 PROGRESSING ON LOCAL CESSION REGULATION →

Local cession was mandated by article 40 of the Implementing Regulations of the Cooperative Insurance Companies Control Law by the Insurance authority. Insurance and reinsurance companies operating in Saudi Arabia are required to maintain a minimum of 30% of reinsure premium at least with a local provider, unless granted approval by the regulatory authority.

In October 2022, The Insurance authority introduced a new mechanism aiming at improving the enforcement of local retention of reinsurance premiums within the Kingdom and increasing the insurance sector's contribution to the local content. This new mechanism requires insurance companies to cede a share of all their reinsurance treaties, proportional and non-proportional, to the local resonance market with effect from 1 January 2023.

The cession share of treaty contract, under new mechanism, started at 20% in 2023, increased to 25% in 2024 and will reach 30% in 2025.

In November 2024, Insurance Authority extended the 30% application of local cession to cover Facultative contracts stating from 1 January 2025.

This new mechanism is expected to strengthen the domestic reinsurance ecosystem and enable the national reinsurance market to play an active role. The increased retention of reinsurance premiums within the Kingdom is expected to have a positive economic impact and contribute to the financial stability of the sector. Being the only specialized local reinsurer, Saudi Re is well-positioned to support the implementation the new mechanism and benefit from potential growth of its home market.

7.3 INHERENT DEFECTS INSURANCE (IDI) PROGRAM →

In August 2020, Saudi Re announced the signing of an exclusive reinsurance contract with Malath Insurance Company on behalf of the Saudi insurance industry's participants in the Inherent Defects Coinsurance Program. As part of the arrangement, Saudi Re acts as the exclusive reinsurer for the Saudi Arabian Inherent Defects Coinsurance Program for five years.

The IDI became a mandatory requirement for contractors involved in private sector construction projects, following the Council of Ministers Resolution No. 509 issued on 5 June 2018. To support the implementation of the IDI programme, The Insurance authority issued a standard policy wording for the IDI cover.

The IDI policy has a duration of 10 years for the cover; Saudi Re has put in place retrocession protection as a risk management measure to manage this long-tail business. The IDI programme underwent various implementation phases and during the year 2022 the programme witnessed an improved enforcement. In 2024, ⃁ 614 million of GWP is booked under IDI class of business which represents 26% of Saudi Re's GWP. IDI programme is among the key strategic initiatives as the advancement of IDI implementation stimulates growth for Saudi Re and reflects on its financial performance.

7.4 CREDIT RATINGS →

The credit rating of an insurance company plays a critical role in the sector, as it indicates the Company's level of solvency and creditworthiness, its ability to meet its obligations to customers and creditors, and its financial performance. Credit ratings also assist investors in assessing a company's strategic approach, risk management, and governance.

Saudi Re was assigned an "A-" long-term issuer credit and insurer financial strength rating and a "gcAAA" GCC regional scale rating, with a stable outlook, by S&P Global Ratings in 2023. S&P noted that Saudi Re has continued to strengthen its competitive position through profitable business growth and diversification. The Company's exposure to catastrophe and other large risks is relatively modest, and capital adequacy remains excellent in S&P's model. The stable outlook reflects S&P's expectation that Saudi Re will maintain excellent capital adequacy and continue to profitably expand and diversify its business over the next two years. S&P also views Saudi Re's governance practices as effective and appropriate, and the consistency in strategy, and management expertise and experience as a benefit to the Company.

Moody's affirmed Saudi Re's "A3" Insurance Financial Strength Rating (IFSR), with a positive outlook, in 2024. The rating reflects the Company's strong brand and market position in Saudi Arabia as the sole reinsurer and its growing presence in the target markets of Asia, Africa, and Lloyd's. It also reflects Saudi Re's preferential position in the Saudi market and its strong asset quality evidenced by its conservative investment portfolio. The rating also reflects the Company's strong capital adequacy, non-existent leverage, and good access to capital markets in Saudi Arabia, given its listing on the Saudi stock market, in addition to a broad investor base. The expanded capital base is expected to provide a platform that helps Saudi Re strengthen its market position in the broader Middle East region while providing additional capacity to support insurance market growth in Saudi Arabia and pursue further international expansion opportunities to diversify its business in line with the Company's strategic plan.

The two A-level ratings, A- from S&P and A3 from Moody's, reinforce the confidence of clients, shareholders, regulators, and all stakeholders of Saudi Re and its future. These ratings are critical in ensuring Saudi Re's financial ability when dealing with reinsurers and in supporting the Company's growth efforts in the international markets.

7.5 NEW PRODUCTS AND POOLS →

Over the past year, the Company has strategically expanded its product lineup, reinforcing its market presence and responding to industry needs.

In October 2024, the Company announced signing a contract with Al Etihad Cooperative Insurance Company to provide reinsurance support for the Employer's Default, a reinsurance contract to provide insurance coverage for the financial dues of non-Saudi workers in the event of delinquency by entities of the private sector, in accordance with the agreed terms and conditions.

In December 2024, the Company announced signing a contract with Walaa Cooperative Insurance Company providing a reinsurance support for Surety Insurance Bond pool, a reinsurance contract on Surety Insurance Bonds Coinsurance Programme. The Programme is a financial guarantee solution that aims to ensure contractors meet their contractual obligations on construction projects developed for the PIF Development Companies.

07 STRATEGIC DIRECTION

Success factors	Description	Saudi Re's progress
Clear strategy and proposition	• Clear value proposition boosts market perception. • Established role with brokers and cedants ensures steady premium income from targeted segments.	• Evolving into a large and well diversified reinsurance company. • Strong and responsive relationships with brokers and cedants.
Geographic diversification	• Diversification across business lines and geographies improves capital efficiency and reduces loss volatility.	• Portfolio is diversified over 9 lines of business and spread across 40+ markets.
Scale benefit	• Expanding size and profitability, enhancing capital base, and improving resilience to loss events.	• GWP strong growth momentum, recording 24% CAGR 2019-2024. • Strengthened the capital base through the realized gain from the sale of Saudi Re's entire stake in Probitas, in addition to the PIF investment.
Strong client/ distribution relationships	• Strong ties with leading international brokers and global distribution platforms ensure ongoing business. • Skilled underwriters improve business generation capabilities.	• Well-established ties with high value counterparties. • Market-dedicated underwriting teams prudently manage the client relationships.
High limits/ line leader	• Increased limits and underwriting capacity increase attractiveness of reinsurers.	• Growing ample underwriting capacity and prudently engaging as a lead reinsurer.
Active broad range of risks	• Writing a wide range of risks increases visibility with brokers. • Exercising flexibility on terms improves relationship with brokers.	• Engaging in the development of new products and offering such as IDI, Employers default and Surety bonds in addition to a wide range of reinsurance solutions.
"A rated" capital	• Required to compete for desirable business. • Favoured by cedants and brokers.	• Obtained an "A-" long-term issuer credit and insurer financial strength rating by S&P, with a stable outlook. • Maintaining "A3" Credit rating by Moody's, with a positive outlook.
Robust technical capabilities and operational effectiveness	• Strict underwriting, cycle management, and controls drive strong technical and investment returns. • Strong focus on operational efficiency leads to lower operating costs.	• Investing in technical and technological capabilities while maintaining operating expense within acceptable range.

08 FINANCIAL ANALYSIS

PERFORMANCE HIGHLIGHTS:

- Profit Before Tax increased 219% to ⃁ 505.7 million
- Net Profit After Tax grew by 282% to ⃁ 474.8 million (60% CAGR from 2019 to 2024)
- Earnings per Share (EPS) increased by 281% to ⃁ 5.33
- GWP grew by 48% – recording ⃁ 2.36 billion (24% CAGR from 2019 to 2024)
- Total equity expanded by 41% to reach ⃁ 1.61 billion by end of 2024

8.1 PROSPECTS AND OUTLOOK →

Saudi Re continues to demonstrate a robust performance driven by the Company's long-term strategy and forward-looking approach. The Company leveraged opportunities in its key classes of business and developed revenue streams across domestic and international markets. Saudi Re's strategic approach involves client-centricity, commitment to market development and diversification, and adherence to sustainable business practices: the success of which was evident in the results of operations and growth in business volumes recorded during the year.

Saudi Re continues to strengthen its position in the local market by supporting the Inherited Defect Insurance (IDI) and maintaining local retention strategy. In addition, the Company plays a pivotal role in supporting Employers Default Insurance and Surety Bond Insurance, further enhancing its contribution to the development of risk management solutions in Saudi Arabia. These strategic offerings align with the evolving regulatory landscape and market needs, positioning Saudi Re as the National Reinsurer to the Kingdom.

As part of its commitment to expanding reinsurance solutions, Saudi Re has signed a Memorandum of Understanding (MoU) with The Saudi Mortgage Guarantees Services Company "Damanat", aimed at strengthening collaboration in reinsurance. This partnership underscores Saudi Re's proactive role in supporting contractual and performance guarantees and advancing risk management solutions that contribute to the sustainable growth of the insurance sector.

Saudi Re exhibits its capital adequacy and solvent position via achievement of S&P "A-" credit rating with stable outlook and, "A3" rating from Moody's with positive outlook. The Company's credit rating opened additional profitable opportunities in new international markets, especially in Asia. It also enabled the Company to capitalize on international market hardening, which contributed positively to the year's performance.

Following the Insurance Authority's introduction of a mechanism, in October 2022, to improve local retention of reinsurance premiums within the Kingdom: Insurance companies are required to cede a share of all their reinsurance treaties, proportional and non-proportional, to the local reinsurance market with effect from 1 January 2023. The cession-share which starts at 20% gradually increased to 25% in 2024, and scaled up to 30% and covering facultative contracts as well.

Saudi Re continues to maintain a well-balanced underwriting portfolio with 41% international business, while keeping focus on risk selection which in turn reflects positively on underwriting performance. Steady growth on the back of business written in other markets, including Asia and the Company's home market - Saudi Arabia, has positioned Saudi Re for further expansion across the wider region.

As part of carefully executed strategic initiatives to strengthen Saudi Re's financial position and drive growth, we divested a 49.9% stake in Probitas Holdings (Bermuda) Limited (PHBL), with a total consideration proceed of GBP 123 million. This resulted in a capital gain of ⃁ 365.9 million, which positively impacted our 2024 results.

A key achievement this year was finalization of a capital increase through subscription by the Public Investment Fund (PIF). The strategic move was approved by the Capital Market Authority in November 2024 and finalized on 30 December 2024; with proceeds received on 2 January 2025. This increased our capital from ⃁ 891 million to ⃁ 1,158.3 million, raising ⃁ 427.68 million through the issuance of ⃁ 26.73 million new shares at ⃁ 16 per share.

08 FINANCIAL ANALYSIS

Both the divestiture and the capital increase are pivotal to our strategic roadmap, aimed at maximizing shareholder value, and ensuring we are well positioned to fund future strategic investments and growth opportunities.

8.2 MARKET OUTLOOK →

The global reinsurance market has shown considerable hardening on account of inflation, rising interest rates, reducing retrocession and reinsurance capacities, and geopolitical tensions. Notwithstanding the retrocession capacity shortage, these market conditions have been favourable to Saudi Re and resulted in price correction in certain markets. However, and by virtue of cyclicality, the reinsurance market may possibly soften in the medium term. Saudi Re aims to sustain positive through-the-cycle performance by managing volatility and risk exposures and reinforcing its foothold in high growth and profitable market segments.

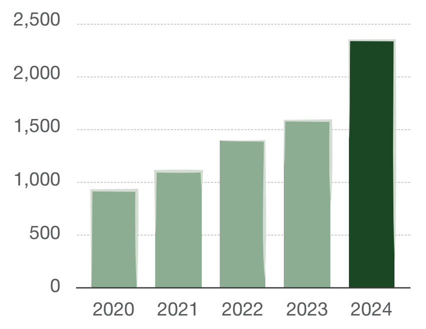
The Company plans to capitalize on favourable regulatory and market conditions in its home market, spurred by enforcement of local retention of reinsurance premiums within the Kingdom. This increased retention of reinsurance premiums is expected to develop local content, strengthen the financial stability of the sector, and enable the national reinsurance sector to play a more active role.

8.3 REVENUE →

Saudi Re maintained a strong 5-year growth momentum with a 24% CAGR increase in GWP, reaching ⃁ 2.36 billion in 2024. The IDI, which represents 26% of the Company's GWP in 2024, is the highest premium on record; holding the Company in good stead for continued growth and expansion.

Gross written premium (IFRS 4)

⃁ million



Reinsurance Revenue reached ⃁ 1.13 billion, during the year, marking 80% growth year on year. This performance was driven by growth in all lines of business, leading to a positive outcome in the net reinsurance result. The Company's net investment income grew substantially, by 629%, and net income after Zakat and Tax increased by 282% to reach ⃁ 474.8 million.

Reinsurance highlights (IFRS 17)

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
Reinsurance revenue	**1,129,966**	627,187	696,998
Reinsurance service result	**142,532**	119,762	83,589
Net investment income	**440,181**	60,388	8,379
Net financial result	**402,752**	25,762	9,864
Share of profit of equity accounted investee	**2,510**	40,071	33,105
Net income after zakat and tax	**474,812**	124,429	76,052

Revenue highlights (IFRS 4)

	2022 ⃁ '000	2021 ⃁ '000	2020 ⃁ '000	2019 ⃁ '000	2018 ⃁ '000
Gross written premiums	1,403,281	1,115,880	935,114	792,848	721,605
Retroceded premiums	462,920	123,898	123,898	127,844	72,997
Net written premiums	898,599	958,968	772,639	645,605	616,896
Net earned premiums	927,891	854,730	647,120	642,535	613,615
Total revenues	942,706	874,406	659,814	660,711	630,083

8.4 REINSURANCE REVENUE →

Saudi Re maintains an ongoing strategy to enhance the performance of its business lines, capitalize on upgraded credit ratings, and leverage international market hardening. Strategic actions in line with this overarching plan triggered underwriting penetration into new lines of business enabled the Company to reconsider and improve its reinsurance terms for some business lines.

Reinsurance revenue by lines of business

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
Property and casualty	**1,081,768**	604,286	631,595
Life and health	**48,198**	22,901	65,403
Total	**1,129,966**	627,187	696,998

Reinsurance revenue by geography

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
KSA	**479,877**	216,821	255,592
International	**650,089**	410,366	441,406
Total	**1,129,966**	627,187	696,998

Reinsurance service results by line of business

Saudi Re's underwriting strategy yielded a 19% improvement in the reinsurance service result, with profit across most business lines.

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
Property and casualty	**131,159**	111,665	78,387
Life and health	**11,373**	8,097	5,202
Total	**142,532**	119,762	83,589

Reinsurance service results by geography

Reinsurance service result improved for Saudi market and maintained a steady position for international business despite the impact of major events such as the UAE floods and Typhoon Yaghi.

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
KSA	**110,581**	86,807	51,134
International	**31,951**	32,954	32,455
Total	**142,532**	119,761	83,589

Reinsurance service expenses by line of business

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
Property and casualty	**951,333**	495,339	531,436
Life and health	**36,490**	14,435	59,732
Total	**987,823**	509,774	591,168

Reinsurance service expenses - IFRS 17

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
Incurred claims and other directly attributable expenses	**945,506**	611,206	597,537
Changes that relate to past service – adjustments to the LIC	**(110,310)**	(249,212)	(83,069)
Losses on onerous contracts and reversal of those losses	**113,273**	132,877	65,268
Reinsurance acquisition cash flows amortisation	**39,353**	14,903	11,432
Total	**987,822**	509,774	591,168

Underwriting costs and expenses (2019-2022) – IFRS 4

	2022 ⃁ '000	2021 ⃁ '000	2020 ⃁ '000	2019 ⃁ '000
Gross claims paid	(537,845)	(471,216)	(481,191)	(436,701)
Retroceded premiums	75,974	61,707	181,476	60,006
Net claims incurred	(595,044)	(565,312)	(391,980)	(417,070)
Policy acquisition costs and profit commissions	(218,199)	(232,404)	(194,682)	(172,781)
Other underwriting expenses	(1,995)	(5,063)	(4,002)	(3,616)
Total underwriting costs and expenses	(815,238)	(802,779)	(590,665)	(593,467)
Net underwriting income	127,468	71,626	69,149	67,244

Net reinsurance finance (expense)/income

	2024			2023			2022		
	Reinsurance contracts ⃁ '000	**Retrocession contracts ⃁ '000**	**Net ⃁ '000**	Reinsurance contracts ⃁ '000	Retrocession contracts ⃁ '000	Net ⃁ '000	Reinsurance contracts ⃁ '000	Retrocession contracts ⃁ '000	Net ⃁ '000
Interest accreted	**(68,523)**	**16,517**	**(52,006)**	(41,524)	2,414	(39,110)	(29,344)	3,909	(25,435)
Effect of changes in interest rates and other financial assumptions	**7,561**	**(985)**	**6,576**	(25,849)	115	(25,734)	(11,906)	2,536	(9,370)
Effects of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	**(611)**	**(3,603)**	**(4,214)**	8,285	17,674	25,959	42,491	(17,584)	24,908
Foreign exchange differences	**12,047**	**168**	**12,125**	4,237	22	4,259	11,966	(584)	11,381
Total	**(49,526)**	**12,097**	**(37,519)**	(54,851)	20,225	(34,626)	13,207	(11,723)	1,484

	2024 ⃁ '000 IFRS 17	2023 ⃁ '000 IFR17	2022 ⃁ '000 IFRS 4	2021 ⃁ '000 IFRS 4	2020 ⃁ '000 IFRS 4
Net income for policyholder operations	**12,331**	9,924	5,359	2,571	3,432
Net income for shareholders operations before Zakat	**505,716**	158,562	56,744	53,315	60,692

Investment income

Investment income increased due to realized profits from selling the Company's stake in Probitas, as announced during 2024. Investment assets were actively allocated from money market funds into fixed term deposits and fixed income instruments to lock in higher yields for a longer duration. This strategy, in the continuing high-interest environment, led to increased returns from investments in the money market and fixed-income investments.

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
Investment income calculated using effective profit rate	**68,240**	53,278	38,728
Net income from financial investments measured at fair value	**14,414**	11,425	(25,289)
Gain on sale of investment in an equity accounted investee	**365,949**	–	–
Investment management expenses	**(9,619)**	(4,208)	(3,719)
Reversal/(charge) for expected credit losses	**1,196**	(108)	(1,340)
Net investment income	**440,181**	60,388	8,379
Share of profit of equity accounted investee	**2,510**	40,071	33,105
Total net investment income	**442,691**	100,458	41,484

8.5 NET INCOME →

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
Total income for the year before Zakat and tax	**505,716**	158,562	91,318
Zakat and tax charge for the year	**(30,904)**	(34,133)	(15,266)
Net income for the year after Zakat and tax attributable to the shareholders	**474,812**	124,429	76,052
Basic and diluted earnings per share for the year (SR)	**5.33**	1.40	0.85

8.6 COMPREHENSIVE INCOME →

	2024 ⃁ '000	2023 ⃁ '000	2022 ⃁ '000
Net income for the period after Zakat and tax attributable to shareholder	**474,812**	124,429	76,052
Financial investments at FVOCI – net change in fair value	**1,560**	711	(8,285)
Remeasurement loss on employees' end of service benefit obligations	**(12,890)**	(3,734)	(462)
Share of foreign currency translation reserve of an equity accounted investee	**1,612**	5,038	(8,258)
Total comprehensive income for the year	**465,093**	126,445	59,047

8.7 ASSETS →

The Company's growth was also reflected in assets, which increased by ⃁ 837 million from the previous year. This rise is mainly attributed to improved liquidity, a strengthened investment portfolio, increased insurance activities, enhanced equity investments, and overall financial growth.

	31 December 2024 ⃁ '000	31 December 2023 ⃁ '000	31 December 2022 ⃁ '000
Cash and bank balances	**73,465**	87,905	31,556
Financial investments at fair value through income statement	**94,825**	154,456	272,653
Financial investments at fair value through other comprehensive income	**285,915**	141,633	119,921
Financial investments at amortized cost	**1,916,208**	1,127,330	1,030,133
Reinsurance contract assets	**92,128**	77,827	105,036
Retrocession contract assets	**627,928**	439,593	189,246
Prepaid expenses, deposits and other assets	**180,821**	195,602	103,651
Property and equipment, net	**29,553**	30,524	30,807
Intangible assets, net	**6,163**	6,615	5,572
Investment in an equity accounted investee	**–**	208,990	160,687
Statutory deposit	**89,100**	89,100	89,100
Accrued income on statutory deposit	**22,314**	22,057	22,084
Total assets	**3,418,420**	2,581,632	2,160,446

8.8 LIABILITIES →

The Company's total liabilities grew by 26%, owing to business growth during the year.

	31 December 2024 ⃁ '000	31 December 2023 ⃁ '000	31 December 2022 ⃁ '000
Margin loan payable	**56,797**	56,797	56,797
Reinsurance contract liabilities	**1,585,142**	1,214,795	846,170
Retrocession contract liabilities	**16,932**	190	12,156
Accrued expenses and other liabilities	**46,564**	76,864	173,523
Employees' end of service benefits	**30,352**	18,633	13,868
Provision for Zakat and tax	**41,671**	41,548	17,533
Accrued commission income payable to Insurance authority	**29,046**	25,982	23,219
Total	**1,806,504**	1,434,809	1,143,266

8.9 EQUITY →

Shareholder equity increased by 41% from ⃁ 1.146 billion to ⃁ 1.611 billion by the end of 2024; reflecting the Company's profitability improvement.

	31 December 2024 ⃁ '000	31 December 2023 ⃁ '000	31 December 2022 ⃁ '000
Share capital	**891,000**	891,000	891,000
Statutory reserve	**162,893**	67,931	43,045
Retained earnings	**585,294**	194,358	94,815
Other reserves	**(27,272)**	(6,468)	(11,677)
Total equity	**1,611,915**	1,146,822	1,017,184

8.10 DIVIDENDS →

Saudi Re announced that its Board of Directors has recommended, on 21 March 2025, to increase the Company's share capital from ⃁ 1,158,300,000 to ⃁ 1,698,100,000 through the issuance of bonus shares to shareholders. The capital increase aims to support the Company's growth and strengthen its financial position.

The increase will be carried out by capitalizing ⃁ 539,800,000 from retained earnings, granting 4 bonus shares for every 9 shares owned. Additionally, 2,500,000 shares will be allocated to the Company's Long-Term Employee Incentive Programme. No cash dividends were distributed during 2024.

Dividend Policy

The Company's Dividend Distribution Policy depends on the achievement of returns and gains for investors in the Company's shares where the impact of such returns and gains extends to include the following pillars:

1. Distribution of sufficient cash profits to the Shareholders, after considering the various factors at the time of distribution including the Company's financial state, working capital requirements, distributable profits, credit limits available to the Company in addition to the overall economic situation.
2. Granting free shares to Shareholders if the conditions and requirements are met with regard to retained profits, Shareholder equity components within the Company's financial statements and balance sheets.
3. Priority, whether for cash profits or grant shares, shall be given to Shareholders registered in the records of the Depository Center of the Financial Market at the end of the trading day on which the general assembly was convened, upon obtaining the approvals of the concerned authorities.
4. The Company shall pay the profits allocated for distribution to the Shareholders at the times determined by the Board.

8.11 ZAKAT, TAXES, FEES, AND OTHER CHARGES →

Description	Reasons	Paid amount ⃁ '000	Outstanding amount at end of financial period ⃁ '000
Zakat and income tax	The Company's share according to Zakat and tax regulations in the Kingdom	**28,670**	41,671
WHT	The Company's share according to Zakat and tax regulations in the Kingdom	**19,140**	2,547
VAT	The Company's share according to Zakat and tax regulations in the Kingdom	**76,758**	5,154

Description	Reasons	Paid amount ⃁ '000	Outstanding amount at end of financial period ⃁ '000
IA fees	Supervision fees for the Insurance Authority	**10,051**	2,106
GOSI	Social insurance contributions for Company employees to the General Organization for Social Insurance	**3,077**	304

8.12 SOLVENCY AND RATING →

Capital adequacy

Solvency Margin

454.4% (Insurance Authority)

243% (S&P)

Credit ratings

S&P (Stable Outlook)

Long-term issuer credit and insurer financial strength: A-

Regional scale rating: gcAAA

Moody's (Positive Outlook)

Insurance Financial Strength Rating (IFSR) international scale: A3

Insurance Financial Strength Rating (IFSR) National scale: A1.sa

Saudi Re continues to strengthen its competitive position through profitable growth and strategic diversification across domestic and international markets. The Company maintains a disciplined approach to risk, keeping exposure to catastrophe and other large-scale risks at moderate levels while ensuring capital adequacy remains above the "AAA" threshold in S&P's model.

S&P's stable outlook reflects confidence in Saudi Re's ability to sustain its excellent capital adequacy and drive profitable expansion in the coming years. The Company's governance practices are recognized as effective and well-aligned with its strategic objectives, with management expertise and consistency contributing positively to operations.

Moody's has also reaffirmed Saudi Re's strong financial standing, reflecting its solid capitalization, prudent underwriting strategy, and sound investment portfolio. The rating agency acknowledges Saudi Re's key role in the Saudi insurance market, its growing international presence, and its disciplined approach to risk selection. Furthermore, Moody's has assigned a positive outlook, highlighting the Company's strengthening market position, continued profitability, and ability to navigate market cycles effectively. This assessment underscores Saudi Re's resilience and reinforces confidence in its long-term growth prospects.

Saudi Re's financial strength is underpinned by several key factors:

- A leading market position as Saudi Arabia's sole professional reinsurer, complemented by an expanding footprint across Asia, Africa, and Lloyd's.
- A preferential position in the Saudi market, benefiting from the right of first refusal on a portion of premiums ceded by primary insurers.
- Strong asset quality, supported by a conservative and well-diversified investment portfolio.
- Solid capital adequacy, backed by robust capital levels and measured exposure to natural catastrophe risks.
- Strong financial flexibility, with no leverage and seamless access to capital markets, facilitated by its listing on the Saudi Exchange and a broad investor base.
- Saudi Re remains well-positioned to capitalize on market opportunities while maintaining a prudent risk management approach, ensuring long-term value creation for stakeholders.

Sustainability Report

09 SUSTAINABILITY STRATEGY

We are committed to positioning Saudi Re as the preeminent leader in the regional reinsurance sector. Our unwavering focus on strengthening financial stability and ensuring long-term sustainability is driven by a profound dedication to delivering lasting value. Through a combination of strategic foresight, operational excellence, and a deep understanding of market dynamics, we aim to consistently generate substantial value for our esteemed shareholders and trusted clients.

9.1 OUR SUSTAINABILITY APPROACH →

Saudi Re aspires to be a regional leader in sustainability, aligning our strategic vision with Environmental, Social, and Governance (ESG) principles. Guided by our Islamic values, we are committed to not only benefiting immediate stakeholders but also to protecting the environment, empowering communities, developing human capital, and actively addressing global challenges such as climate change. Through this holistic approach, we aim to create enduring economic value for our clients and shareholders, while establishing a benchmark for responsible business practices in the region.

Our commitment to sustainability is reinforced by Saudi Re Code of Professional Conduct and Ethics, ensuring fair and ethical treatment of clients. Anchored by a robust Sustainability and Social Responsibility Policy, we integrate core sustainability principles into our policies, procedures, and practices. This approach guides our efforts and reflects our dedication to corporate responsibility.

In alignment with Saudi Vision 2030, we focus on fostering economic growth by creating opportunities for citizens, with a strong emphasis on gender equality and the empowerment of women in senior roles. We also promote Saudization across our workforce, increasing Saudization ratios annually to foster a dynamic, skilled workforce and support national development.

Our sustainability strategy not only contributes to the Kingdom's development but also strives to retain reinsurance premiums within the Kingdom, representing Saudi Arabia on the international stage and contributing to the non-oil GDP. Sustainability is deeply embedded in our Vision and Mission, shaping our decisions as a Sharia-compliant company. Upholding our ethical duties, we safeguard people and businesses against significant risks, building a framework of transparency, accountability, and environmental and social consciousness.

9.2 SUSTAINABILITY PILLARS →

We are dedicated to advancing our strategic pillars through targeted actions designed to ensure their successful implementation, and drive meaningful progress toward our organizational goals.

1 National contribution

- **Contribute actively to Saudi Vision 2030:** By aligning organizational goals with its broader objectives.
- **Implement sustainable procurement practices:** Prioritise environmental stewardship, ethical sourcing, and long-term value creation.

2 Strong governance and economic performance

- **Operate with Transparency:** Ensure clarity and honesty in all operations, fostering trust through timely and accurate communication.
- **Foster Ethics and Compliance:** Promote integrity and adherence to regulations, creating a culture of fairness and accountability.
- **Achieve Financial Soundness**: Focus on sustainable profitability to deliver long-term value to stakeholders.

3 Responsible customer relations

- **Ensure Data Protection:** Safeguard sensitive information through strong security measures and compliance.
- **Enhance Client Satisfaction:** Deliver personalized solutions and timely support.
- **Prioritize Innovation:** Embrace digitalization to improve efficiency.
- **Promote Sustainability:** Offer products aligned with ESG principles

4 People and community care

- **Develop Workforce and Sector Talent:** Provide ongoing training and growth opportunities for employees and the industry.
- **Create a Diverse and Inclusive Work Environment:** Promote equality and embrace diverse perspectives.
- **Invest in Community Development**: Support local initiatives focused on education, healthcare, and infrastructure.
- **Prioritise Health and Well-being of Workforce:** Promote physical and mental health through balanced work-life policies.
- **Foster Relationships with Key Stakeholders:** Strengthen partnerships with customers, suppliers, and regulators for mutual growth.

5 Sustainable insurance

- **Integrate ESG Criteria in Underwriting:** Ensure environmental, social, and governance principles are embedded in risk assessment and decision-making processes.
- **Invest Responsibly:** Allocate resources to ethical and sustainable investment opportunities that align with long-term goals.
- **Enhance Financial Inclusion and Access to Insurance:** Develop inclusive solutions to extend insurance coverage and financial services to underserved communities.

6 Environmental protection

- **Support Energy Transition and Climate Change Mitigation:** Promote sustainable practices and reduce emissions.
- **Minimize Environmental Footprint:** Enhance efficiency, reduce waste, and limit resource consumption.

9.3 SHARIA GOVERNANCE →

Saudi Re strives to adhere to Sharia governance practices through the establishment of a Sharia Committee to ensure independent administration and Sharia reporting. To achieve this, we have appointed Shariyah Review Bureau (SRB) who helps facilitate Sharia related discussions, product research, and Sharia reporting while working with the heads of functions to augment Sharia principles and rulings at different levels of the organization. SRB will also help ensure that the members of the Sharia Committee operate with independence and autonomy that warrants effective decision-making and Sharia assurance practices.

Some of the specific requirements that SRB will manage are:

- Help establish a robust Sharia governance mechanism including the formulation and management of the Sharia Committee and liaising with them to ensure that all products and services are duly accredited and in line with the rulings of the Sharia Committee.
- Assist in establishing a qualified and independent Sharia Committee and a competent Sharia audit resource.
- Coordinate with various departments, heads of functions and task force on Sharia issues, and provide support during Sharia audits.
- Contribute to the development and enhancement of products and new offerings, coordinating with relevant stakeholders for feedback.
- Ensure that all products and services offered by us are approved and certified by the Sharia Committee.
- Supervise the internal Sharia audit to verify compliance with Sharia principles and standards.
- Disclose relevant information to management regarding the Sharia governance framework, Sharia Committee rulings, product (non-compliance) risks, Zakat verification and purification of non-permissible income.

Sharia Committee

For the purpose of effective Sharia governance, two renowned and qualified Sharia scholars have been assigned. The Sharia Committee independently issues pronouncements and these rulings are binding on the Company. The names of the Sharia Committee members are provided below:

1. Mohammed ElGari
2. Salah Shalhoob

SHARIYAH
REVIEW BUREAU

About the Shariyah Review Bureau (SRB)

SRB is a Middle East-based firm with an international scholarly platform of +37 scholars covering 4 major school of jurisprudences and spreading over 16 countries including Saudi Arabia, Bahrain, UAE, Malaysia, Pakistan, UK, Germany and Russia. SRB is licensed and regulated by the Central Bank of Bahrain and has been serving the Islamic financial industry for almost 20 years and is committed to empowering Sharia compliance for businesses around the world.

9.4 STAKEHOLDER ENGAGEMENT →

Stakeholders are integral to Saudi Re's sustainability, success, and value creation. Our sustainability strategy is founded on the significant role of all stakeholders, including clients, brokers, shareholders, analysts, investors, employees, regulatory bodies, suppliers, and business partners. This commitment is reflected in the development of our Sustainability and Social Responsibility Policy and in the way we identify and prioritize key material issues.

Stakeholder	Mode of engagement	Frequency of engagement
Regulatory Bodies	• Internal audit • Audit Committee • External audit • Compliance Department • Technical Committee • Business Risk Committee • Annual Reports	As per regulatory requirement, or on an annual basis.
Clients and Brokers	• Social media channels including LinkedIn • Customer service help desks • Market webinars • Regional/International industry events • Cybersecurity framework	Regular and routine engagement.
Shareholder, Analysts, and Investors	• Annual reports • Annual General Meetings • Financial results in a quarterly basis • Press releases • Investor conferences and one-on-one meetings • IR Mobile App • Risk appetite framework	Open and transparent channels of communication with shareholders
Suppliers and Business Partners	• Procurement departments • Annual reports • Credit agency reports	Regular and routine engagement.
Society	• Community donation drives • Event sponsorship • Training sessions/workshops	Event/project based engagement and responsive engagement.
Employees	• Human Resources team • Training sessions and workshops • Career development programmes • Employee engagement programme • Whistleblowing policy • Saudi Re's intranet • Health and life scheme coverage	Continuous engagement through transparent and open communication Channels.

9.5 SUSTAINABILITY POLICY →

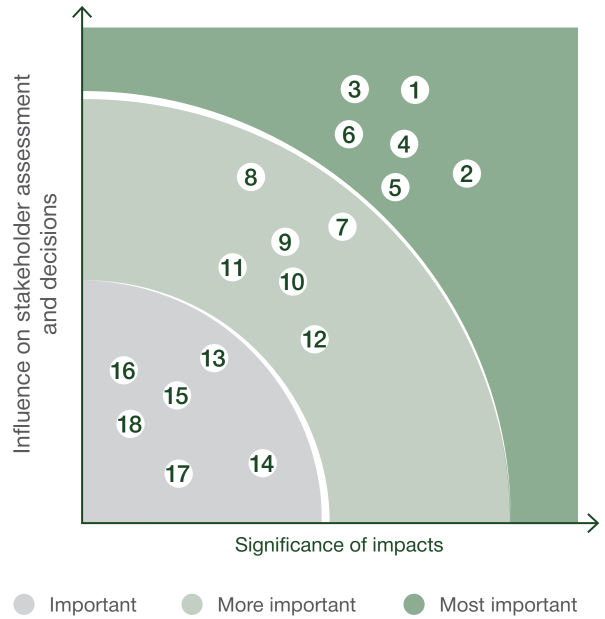
Saudi Re's Sustainability and Social Responsibility Policy acts as a guiding framework for addressing key material issues. With a focus on the Company and its stakeholders, we prioritize Environmental, Social, and Governance (ESG) factors. Corporate governance leads our list of material considerations, followed by cybersecurity, talent development, alignment with national strategies, ethics, financial performance, and customer satisfaction. Other crucial factors include inclusivity, integration within the insurance sector, innovation, responsible investing, and access to insurance. We also emphasise the importance of sustainable products, community investment, well-being, environmental management, and sustainable procurement practices.

9.6 MATERIAL MATTERS →

Saudi Re maintains the relevance and effectiveness of its policies for managing material topics through regular review cycles, stakeholder engagement, industry trend monitoring, risk assessments, benchmarking, legal compliance checks, internal audits, and periodic materiality assessments. This proactive approach ensures that policies remain aligned with the Company's objectives, emerging risks, and stakeholder expectations.

To assure compliance with these material topics, Saudi Re documents and communicates clear policies, conducts regular training, monitors and reports on compliance, performs internal audits, assesses risks, establishes accountability, seeks external certifications, continuously improves processes, engages stakeholders, leverages technology, and stays informed about legal and regulatory changes.

The table and materiality map below visually present Saudi Re's key material topics, listed in order of importance:



Rank	Material topic
1	Corporate governance
2	Data protection and cybersecurity
3	Talent development
4	Serving the national strategy
5	Climate change and energy transition
6	Ethics and compliance
7	Financial performance
8	Customer satisfaction
9	Diversity and inclusion
10	Integrating ESG in insurance
11	Innovation and digitalization
12	Investing responsibly
13	Access to insurance
14	Sustainable products and services
15	Community investment
16	Health and well-being
17	Environmental management
18	Sustainable procurement

10.1 OUR NATIONAL CONTRIBUTION →

Saudi Re has sustained a strong growth trajectory across various business parameters. Over the years, we have expanded beyond our base in the Kingdom of Saudi Arabia, establishing a presence in over 40 countries across the MENA region, Asia, Africa, and the Lloyd's Market in the UK. With a clear vision for the future, outlined in our Strategy Towards 2028, we have intensified our focus on international market expansion, positioning ourselves as a global reinsurance leader.

Saudi Re plays a vital role in advancing the non-oil sector in Saudi Arabia, aligning with the Kingdom's Vision 2030 goals of economic diversification and reducing dependency on oil revenues. In furtherance of this vision, we strive to increase our Saudization ratio each year, focusing on the development of a skilled local workforce. Our recruitment strategies prioritize hiring Saudi citizens, Through specialized training programmes and workshops, we enhance technical expertise in the insurance and reinsurance industry, empowering professionals and driving the advancement of the financial services sector across the region. Saudi Re promotes gender diversity by encouraging and empowering women to take on leadership positions, fostering an inclusive corporate environment that aligns with Vision 2030's emphasis on gender equality.

The Company integrates Environmental, Social, and Governance (ESG) principles into its operations, contributing to sustainable development and aligning with the Kingdom's broader sustainability objectives.

These efforts collectively position Saudi Re as a key contributor to the Kingdom's advancement and long-term development goals.

Saudization rate (%) – 2024

80

2020	2021	2022	2023
71	75	78	80

Percentage of Senior Management that are Saudi Nationals – 2024

GRI 202-2

92

2020	2021	2022	2023
88	90	91	83

10 SUSTAINABILITY PERFORMANCE

1. Local content

Increased signing share and retrocession capacity

In response to the global reinsurance market's hardening characterised by inflation, rising interest rates, and a reduction in retrocession and reinsurance capacities Saudi Re has increased its signing share in reinsurance agreements. This move allows the Company to underwrite a larger portion of reinsured risks, thereby expanding its market presence. To support this growth, Saudi Re has augmented its retrocession capacity, enabling it to manage higher risk exposures effectively and maintain a balanced portfolio.

Introduction of new lines of business

Diversifying its offerings, Saudi Re has ventured into new lines of business:

- **Employer's default insurance:** In October 2024, Saudi Re signed a reinsurance contract with Al Etihad Cooperative Insurance Company to provide coverage for the financial dues of non-Saudi workers in the event of employer delinquency. This policy, developed in collaboration with the Ministry of Human Resources and Social Development and the Insurance Authority, safeguards workers' wages, unpaid dues, and repatriation costs, thereby enhancing labour rights protection.
- **Surety Insurance Bond:** In December 2024,Saudi signed a reinsurance contract for Surety Insurance Bond coinsurance program with Walaa Cooperative Insurance Company. The program provides a financial guarantee to ensure contractors meet their obligations on construction projects developed for the Public Investment Fund (PIF) companies.

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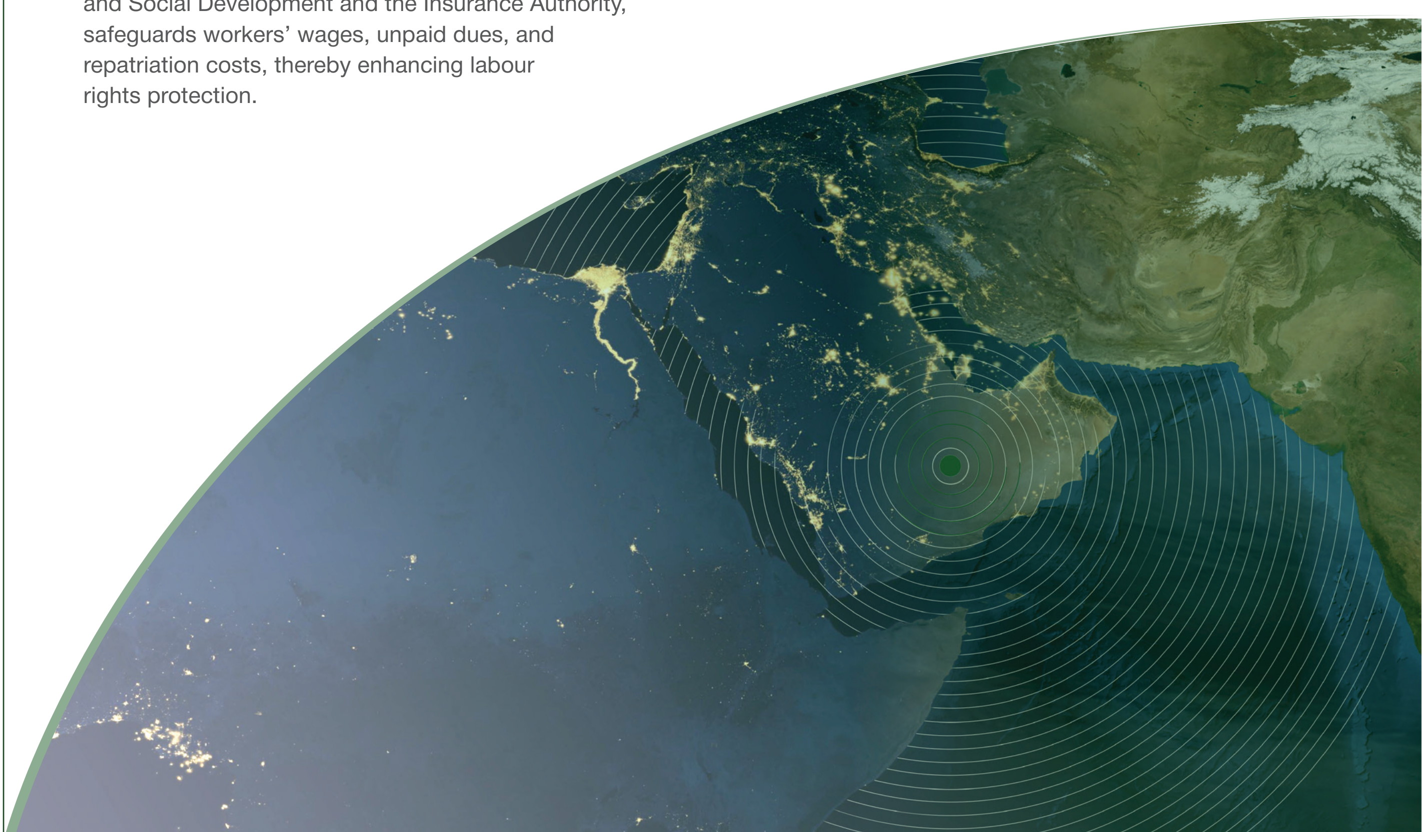
GWP (⃁ million) KSA vs International

	KSA	International	Total
2020	346	588	935
2021	482	633	1,115
2022	788	615	1,403
2023	783	814	1,597
2024	**980**	**1,379**	**2,359**



2. Training and education

Saudi Re has designed and implemented Saudi Re Development Program (SRDP) to enhance employees' knowledge and skills throughout their careers with the Company. This initiative utilises diverse training methods to ensure continuous professional growth. As part of SRDP, we sponsor employees for international reinsurance training programmes, equipping them with valuable industry insights and networking opportunities. These experiences enable them to engage with clients and brokers in key markets, strengthening their expertise and global outlook.

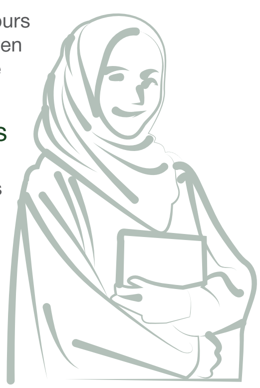
In line with our commitment to market education, we provide specialized training for our clients and partners. This initiative is designed to deepen their understanding of industry trends, best practices, and strategic tools essential for navigating the competitive landscape. Through interactive workshops and training sessions, we aim to enhance market awareness, empowering our partners to make informed decisions and drive sustainable growth.

Number of hours of training given per employee

64 hours

Sponsorships granted

6



Support extended to employees to pursue professional qualifications.
4 Staff (PMP, ACII, Master's Degree)

Value invested in training and education

2024

⃁ 800,000

2023

⃁ 700,000

3. Youth development and saudization

Saudi Re has established the Future Leaders Programme, a structured one-year training initiative designed for recent graduates. This programme equips participants with essential skills and industry knowledge, preparing them for leadership roles in the reinsurance sector.

Through Saudi Re's Internship Program, we have partnered with local universities and colleges to offer students valuable hands-on experience. This initiative not only provides students with practical industry exposure but also strengthens the broader community by developing future professionals. Additionally, it enables Saudi Re to connect with emerging talent, fostering potential future hires with a strong understanding of the reinsurance industry.

As part of our commitment to talent development and nationalization, Saudi Re has trained 10% of its workforce through structured training programmes. This initiative has led to 29% of interns securing full-time positions upon completing their internships, demonstrating our dedication to nurturing local talent and strengthening the industry's future workforce.

Saudi Re is committed to developing talent within the insurance and reinsurance industry by creating structured career pathways and offering comprehensive training programmes. The Company places a strong emphasis on increasing the Saudization ratio annually, in line with Vision 2030's objectives for local workforce development.

Saudi Re continues to deliver specialized training programmes and workshops designed to enhance the technical expertise of its employees. These initiatives also extend to the broader insurance market, fostering industry-wide development and knowledge sharing within the region.

Percentage of employees below 30 years of age

2024 – 29%

2023 – 30%

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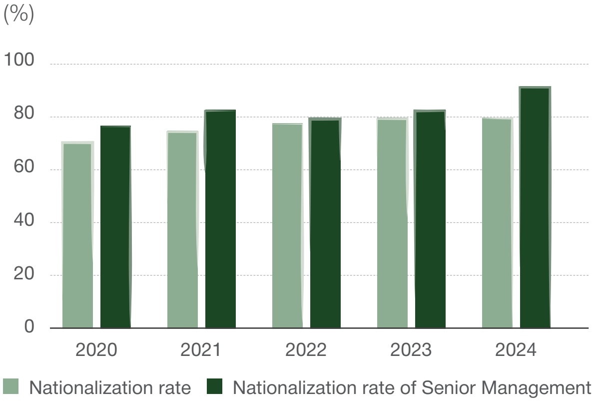
4. Nationalization



Directors and Officers (D&O) Liability Insurance Seminar

10.2 SUSTAINABLE SUPPLY CHAIN →

Strong supplier relationships ensure reliability, cost-effectiveness, and regulatory compliance. By leveraging a robust supplier network, we have been able to improve operational resilience, adapt to market changes, and deliver greater value to stakeholders.

Saudi Re collaborates with a diverse supplier network that supports its operations and strategic goals.
Key supplier categories include:

- **Reinsurance brokers –** Connect Saudi Re to global reinsurance markets, offering expertise, market insights, |and placement services.
- **Actuarial consultants –** Assist in pricing, risk evaluation, and reserves assessment to enhance underwriting decisions.
- **IT and software providers –** Deliver technology solutions for underwriting, claims management, and risk modeling, driving efficiency and innovation.
- **Professional services –** Comprise legal, audit, and financial advisory firms that ensure regulatory compliance, corporate governance, and strategic planning.
- **Facility and operational services –** Cover office management, maintenance, and utilities to support daily functions.

Risks and opportunities in sustainable supply chain

In the context of sustainability, opportunities abound, while certain risks are unavoidable, Saudi Re considers various measures to ensure such risks are managed and mitigated, identified for better monitoring and assessment, such as, first-line of defense methodology, updated risk registers and pre-engagement risk assessments.

Identified risks:

Risks	Description
Operational disruption risks	• Suppliers facing capacity, financial, or reputational issues may impact Saudi Re's operations.
Data security risks	• Increased vulnerability to cyberattacks or data breaches, potentially compromising sensitive information.
Compliance and regulatory risks	• Suppliers failing to adhere to local or international regulations may create compliance challenges

Identified opportunities:

Risks	Opportunities
Supply chain diversity	• Engaging a broad network of brokers, agents, and consultants reduces reliance on a single source and enhances resilience.
Collaboration for innovation	• Partnerships with technology providers, consultants, and training institutions drive digital transformation, AI adoption, and operational efficiency.
Market insights	• Market research agents provide analytics that strengthen risk assessment and support informed decision-making, particularly in underwriting.
Specialized consulting	• Actuarial services help maintain reasonable reserves and solvency margins, ensuring financial stability.
Financial efficiency	• A sustainable supply chain of brokers and agents contributes to improved financial performance and long-term sustainability.

Ethical and sustainable procurement

We are dedicated to building a responsible and sustainable supply chain through a transparent and equitable procurement process. Every business partner undergoes a thorough evaluation and documentation process to ensure alignment with our high standards. This rigorous approach fosters trust and reinforces our broader sustainability goals.

User awareness and education

- Conducting training sessions on the safe use of digital signatures.
- Promoting cybersecurity best practices, such as phishing awareness and avoiding insecure networks.

At Saudi Re, we maintain ethical standards, combat corruption, and promote transparency through:

- **Training and awareness –** Conducting regular training on ethics, compliance, and Anti-Money Laundering (AML) to educate employees.
- **Transparency and accountability –** Implementing strong reporting structures, audit processes, and whistleblowing mechanisms to uphold integrity.

Given below are details pertaining to our supply chain:

Total procurement spending 2024 (million)

⃁ 54.8

2020 – ⃁ 17.8
2021 – ⃁ 22.2
2022 – ⃁ 11.1
2023 – ⃁ 58.9

GRI 202-2

Percentage of total procurement spending on local suppliers 2024 (%)

74

2020 – 81/ 2021 – 77
2022 – 84/ 2023 – 47

Number of local suppliers 2024 (Nos.)

87

2020 – 82/ 2021 – 146
2022 – 81/ 2023 – 98

Amount spent on local suppliers 2024 (million)

⃁ 40.4

2020 – ⃁ 14.5/ 2021 – ⃁ 17.1
2022 – ⃁ 9.3/ 2023 – ⃁ 27.9

Key achievements in sustainable supply chain during 2024

- **Credit rating for reinsurance partners:** Established credit assessments to ensure strong financial partnerships.
- **Procurement automation and integration:** Optimized procurement processes to enhance efficiency and cost-effectiveness.
- **Supplier screening enhancement:** Strengthened supplier screening criteria to uphold higher standards and reliability.
- **Cybersecurity awareness for suppliers:** Implementing an ongoing cybersecurity awareness programme to foster a secure ecosystem.

Saudi Re's supply chain

Saudi Re depends on key suppliers to solidify its position in the domestic market, support international growth, improve risk management, and boost operational efficiency. Partnerships with retrocessionaires, brokers, and technology providers help maintain competitive offerings, ensure regulatory compliance, and integrate sustainability. Collaborating with global suppliers also promotes diversification and provides access to advanced risk assessment tools, strengthening Saudi Re's long-term value creation.

10.3 CORPORATE GOVERNANCE →

Saudi Re is unwavering in its dedication to maintaining the highest standards of corporate governance, underscoring its role as a prominent global reinsurer and honouring its heritage as Saudi Arabia's first and only full-fledged licenced reinsurance Company. Our governance framework is designed to empower the Board of Directors and Executive Management, placing a strong emphasis on their competence, diligence, and accountability.

Steps taken to strengthen corporate governance

- The Nomination and Remuneration Committee (NRC) carries out an annual review of Board Member independence and cross-checks related party contracts.
- All Board Members must submit an annual disclosure and report any changes as they arise.
- Newly appointed Board Members participate in an induction programme, covering key materials such as roles, responsibilities, and relevant laws and regulations.
- The Board of Directors and the General Assembly has reviewed and approved the Corporate Governance Policy.
- The Compliance Department oversees governance practices to ensure compliance with the policy and regulatory requirements.
- Conduct a comprehensive review of corporate governance in collaboration with a reputable consultant.
- Implement best practices in corporate governance, in addition to complying with existing laws and regulations.
- Regularly assess the Board structure, policies, and charters.

Board expertise

Saudi Re is guided by a seasoned and highly skilled Board of Directors responsible for implementing and continuously reviewing robust controls across all operations. The Board ensures the integrity of financial reporting, monitors the effectiveness of internal control systems, evaluates the appropriateness of the disclosure processes, and approves critical policies to drive the Organization's success.

The Board comprises five non-executive members, five independent members, collectively bringing extensive experience of diverse expertise across various fields and disciplines. Their combined experience provides strategic direction and ensures the Company operates within a framework of regulatory compliance, corporate governance, and ethical practices.

This leadership enhances Saudi Re's operational efficiency and stakeholder confidence, and also positions the Company as a key contributor to positive change and economic growth within both the local and national landscape.

Policy framework

The operational activities and culture of compliance at Saudi Re are regulated by the following policies:

- Corporate Governance policy
- Conflict of Interest Policy
- Whistleblowing Policy on Violations
- Sustainability and Corporate Social Responsibility Policy
- Dividend Distribution Policy
- Remuneration and Compensation Policy for Board Members, Board Committees, and Senior Executives
- Articles of Association
- Business Competition Standards and Regulations

Annual review

- The Nomination and Remuneration Committee conducted its annual evaluation of the Board's independence and reviewed related-party contracts and transactions.
- Saudi Re upholds a robust approach to corporate governance, incorporating a comprehensive induction process for new Board Members. This ensures they gain a thorough understanding of their roles, responsibilities, and the applicable legal and regulatory requirements.
- Saudi Re has updated its Corporate Governance Policy to reflect evolving market conditions and regulatory changes. The Company remains dedicated to regularly reviewing foundational policies, charters, and related governance documents to maintain alignment with best practices.
- The revised Corporate Governance Policy has been reviewed and approved by the Board of Directors, with ongoing oversight from the Compliance Department to ensure adherence to all policies and regulations. Through these measures, Saudi Re demonstrates its commitment to fostering a culture of transparency, accountability, and regulatory compliance.

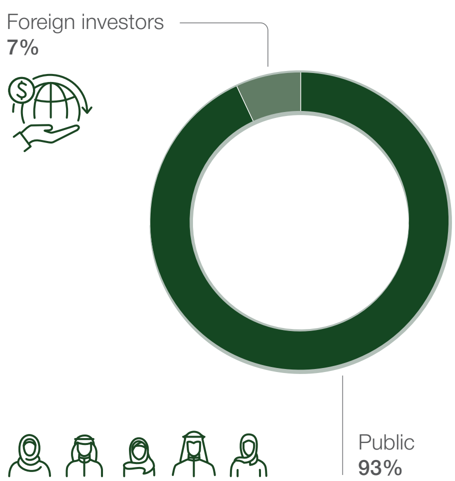
Shareholder engagement

Saudi Re is steadfast in its commitment to fostering reliable and transparent relationships with investors and key stakeholders through an effective Investor Relations function. Our dedicated Investor Relations team ensures transparency in updates, financial disclosures, and interactive engagements, empowering stakeholders to make informed decisions.

During the year, the Company leveraged a variety of measures and platforms to engage actively with stakeholders, including:

- Earnings Calls
- Investor Roadshows and Conferences
- Annual General Meeting (AGM)/Extraordinary General Meeting (EGM)
- Announcements in Mainstream Financial Media
- Corporate Disclosures on the Saudi Exchange (Tadawul)
- Saudi Re's Investor Relations App and Official Website (saudire.net)
- This comprehensive approach ensures transparency, regulatory compliance, and seamless access to information for stakeholders.

Ownership structure



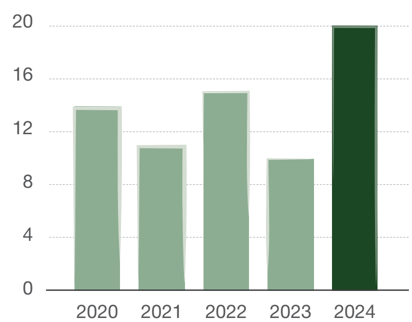
Transparent and strong investor relations

Saudi Re is unwavering in its commitment to transparency and building strong relationships with investors and key stakeholders through its dedicated Investor Relations function. Acknowledging the crucial role investors play in our success, we prioritize timely, accurate, and effective communication. Our team provides regular updates, detailed financial disclosures, and interactive engagements to support informed decision-making. As we adapt to industry best practices, Saudi Re aims to exceed investor expectations, further strengthening trust and confidence in our company.

Direct investor engagements

Investor calls/meetings

(Nos.)



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10.4 BUSINESS ETHICS AND COMPLIANCE →

The workforce at Saudi Re follows a stringent and proactive Code of Professional Conduct and Ethics, reflecting the Company's steadfast commitment to fostering a strong anti-corruption and anti-bribery culture. This code defines the ethical standards expected of all employees, ensuring integrity and accountability across the Organization.

To promote awareness, commitment, and compliance, the Compliance Department, in collaboration with the Legal Department, plays a crucial role. It facilitates regular communication with employees, fosters a culture of ethical awareness, and delivers targeted training programmes to reinforce adherence to these standards.

During the year, Saudi Re introduced the following measures in alignment with the Company's policies:

Process and process improvements	Employee awareness and compliance	Policy and management support
• Designed and implemented an automated system to effectively manage and monitor all regulatory submissions, ensuring timely and accurate compliance with the requirements of the Insurance Authority. This system streamlined submission workflows for regular reports, including monthly, quarterly, semi-annual, and annual filings, as well as case-by-case submissions.	• Facilitated the dissemination of all new regulations and circulars to employees through Saudi Re's Portal, ensuring timely communication and widespread awareness of regulatory updates across the Organization. This streamlined approach enabled staff to stay informed and align their practices with current regulatory requirements. • These training initiatives aimed to enhance employees' understanding of regulatory obligations, promote ethical practices, and cultivate a strong culture of compliance within the Organization.	**Adaptation to new insurance authority regulations:** • Proactively aligned operations with the latest mandates and requirements introduced by the Insurance Authority. • Conducted comprehensive compliance gap analyses and updated internal policies to ensure full conformity with the new regulatory framework.
• Spearheaded a comprehensive review and update of policies and procedures to ensure the Organization's compliance frameworks align with the latest regulatory mandates and industry best practices. This initiative strengthened governance, improved operational consistency, and enhanced the Organization's ability to proactively adapt to evolving compliance standards.	• Planned and conducted a series of comprehensive compliance training sessions for employees, covering critical topics such as Compliance, Anti-Money Laundering and Counter-Terrorist Financing (AML-CTF), Corporate Governance, Anti-Fraud measures, and the Code of Conduct. Delivered mandatory training sessions on AML/CTF, anti-fraud, and anti-corruption, offered both in-person and online to ensure comprehensive employee participation. • Simplified key policies and effectively communicated them through user-friendly guides and awareness campaigns. • Updated and strengthened the Code of Ethical Conduct to reinforce organizational values and ethical standards. • Enhanced the whistleblowing policy to facilitate anonymous reporting, ensuring greater confidentiality and employee confidence. • Promoted a culture of compliance through active engagement and leadership involvement.	**Enhancement of governance framework:** • Reviewed and reinforced compliance policies to address evolving regulatory challenges effectively. • Strengthened internal reporting mechanisms, providing management with enhanced visibility and oversight of compliance activities. **Training and awareness initiatives:** • Delivered targeted compliance training sessions to employees, enhancing their understanding of regulatory responsibilities and fostering a strong culture of compliance within the organization.

Commitment to Strengthening Compliance

Saudi Re has established specialized departments and functions to secure the support, engagement, and commitment of Senior Management, driving the continuous enhancement of the Company's culture of ethical conduct and compliance. This dedication to adhering to regulations and best practices reflects the Company's broader commitment to fostering sustained, inclusive, and sustainable economic growth within the Kingdom. These efforts are further directed towards creating full and productive employment, promoting decent work, and aligning with the overarching vision of strengthening implementation mechanisms and revitalising global partnerships for sustainable development.

Saudi Re has implemented the following policies in order to foster a culture of compliance and ethics within the Company:

- Anti-Money Laundering and Combating Terrorism Financing Policy and Procedures
- Anti-Fraud Committee Charter
- Anti-Fraud Policy
- Clients Acceptance Policy
- Compliance Charter
- Compliance Policy
- Insider Trading Prevention Policy
- The Code of Professional Conduct and Ethics
- Reporting Non-Compliant Practices, "Whistleblowing" Policy
- Conflict of Interests Policy
- Disclosure and Transparency Policy

To ensure compliance align with best practices, Saudi Re's policies and procedures are guided by and adhere to the following frameworks:

- Insurance Consumer Protection Principles issued by the Insurance authority.
- Corporate Governance Regulations issued by the Capital Market Authority (CMA) of the Kingdom of Saudi Arabia (KSA).
- Insurance Corporate Governance Regulation issued by the Insurance authority
- Audit Committee Regulations issued by the Insurance authority.

The Company has taken the following actions with regard to compliance with national and international regulations.

	2024	2023	2022	2021	2020
Employees dismissed and/or disciplines for corruption (Nos.)	0	0	0	0	0
Percentage of operations assessed for risks related to corruption (%)	0	0	0	0	0
Percentage of employees trained on risks related to corruption (%)	99	98	98	97	90
Percentage of employees trained on risks related to money laundering and financial crime (%)	99	98	98	95	93

Saudi Re's Internal Audit Department conducts an annual review of internal controls, drawing on insights from a comprehensive, Company-wide risk-based audit. Meanwhile, the Compliance and Risk Management function actively educates employees, sets clear standards, and ensures alignment with applicable regulations. The Company remains committed to cultivating an ethical and compliant culture, integrating best practices, and effectively managing inherent risks across all its business operations.

Non-compliance with laws and regulations

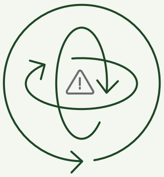
Non-compliance with laws and regulations undermines organizational integrity, risks legal penalties, damages reputation, and erodes stakeholder trust. Ensuring adherence fosters accountability, ethical practices, and long-term sustainability in personal and professional settings.

	2024	2023	2022	2021	2020
Total incidents of non-compliance with laws and regulations (Nos.)	**1**	1	1	1	0
Total number of non-monetary sanctions (Nos.)	**0**	0	0	0	0
Total amount of legal and statutory fines and settlements (⃁)	**0**	0	0	0	0
SASB Metric (FN-IN-270a.1) Value of any monetary losses as a result of legal proceedings (⃁)	100,000	40,000	20,000	0	0

SYSTEMIC RISK MANAGEMENT

Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities.

SASB-FN-IN-550a.3



APPROACH TO MANAGING CAPITAL:

Saudi Re has its own Risk Appetite, which is as follows:

Saudi Re should ensure the available capital is above the highest of the followings:

1. At least 125% of required economic capital, according to Saudi Re Internal Capital Model
2. At least 125% of SAMA Required Solvency
3. At least 125% of S&P required capital at A level

APPROACH TO MANAGING LIQUIDITY:

The Company's Investment Policy Statement (IPS) dictates how the Company should invest, including the liquidity of each asset invested and the overall liquidity of the investment.

The Company also constantly monitors its liquidity by using indicators such as quick ratio (current assets divided by current liabilities) to ensure the liquidity is within the Company's criteria.

Refer the Risk Management section on page 97 for more information on the Company's approach to managing risk.

10.5 FINANCIAL PERFORMANCE →

2024 was a transformative year for Saudi Re, reinforcing our position as a regional leader in reinsurance. Our unwavering commitment to delivering innovative and technically advanced solutions has translated into exceptional growth and strong financial performance.

Gross Written Premium (GWP) surged by 48%, reaching ⃁ 2.36 billion, driven by strategic market expansion and disciplined underwriting. This impressive growth was further supported by our strong credit ratings, reaffirming our resilience and market standing.

Our forward-looking strategy enabled us to capitalize on key opportunities across core business lines while diversifying revenue streams in both domestic and international markets. As a result, our Reinsurance Service Result increased to ⃁ 142.5 million, up from ⃁ 119.7 million in 2023.

Saudi Arabia remains the foundation of our business portfolio, while our international presence continues to expand. Reinsurance revenue now comprises 57% of our portfolio, highlighting our successful diversification into high-potential markets. This growth reflects our ability to capitalize on global opportunities while maintaining a strong domestic base.

Looking ahead, we remain committed to sustained growth, market leadership, and delivering long-term value to our stakeholders.

10.6 OUR CLIENTS IN FOCUS →

At Saudi Re, providing exceptional service to our clients is central to building strong relationships and driving higher client satisfaction. Our approach focuses on delivering efficient and effective claims processes, while maintaining transparency and fairness in all client interactions.

During 2024, we implemented the following measures to enhance the client experience by expanding reach, products, services, and improving service standards and internal processes:

- Applied Service Level Standards (SLS) to approve and process standard claims within seven working days.
- Applied Service Level Agreements (SLA) to approve and process Cash Calls and/or Special Settlements within three working days.

To accelerate claim settlements for our clients, we have implemented the following initiatives:

- **Automation of claims processing:** Up to 65% of claims processing has been automated through Insiab, enhancing efficiency and reducing turnaround time.
- **Increased claim approval limits:** Approval limits for team members have been raised, enabling quicker decision-making and expediting the settlement process.

Given below are details pertaining to claims settlement:

	2024	2023	2022	2021	2020
Percentage of settled claims during the year (%)	**100**	100	100	100	100
Percentage of claims settled within 7 working days (%)	**96**	98	97	97	98

10 SUSTAINABILITY PERFORMANCE

Innovations Enhancing Client Experience

This year, Saudi Re introduced a new communication system to enhance security awareness and data privacy for users. Key features include:

- **Multichannel delivery:** Security and privacy content is shared through desktop backgrounds, lock screens, and popup alerts for seamless engagement.
- **Proactive awareness:** Ensures continuous user education on cybersecurity best practices.
- **Enhanced protection:** Reinforces compliance with data security policies while improving overall digital safety.

These innovations contribute to a more secure and informed user experience.

Data privacy and security assurance

In order to enhance data security, privacy, and resilience against cyber threats, Saudi Re implemented the following measures:

- **Policy and governance enhancements:** Established and updated data privacy policies to ensure compliance with NDMO regulations.
- **Employee awareness and training:** Conducted sessions to improve understanding of data privacy principles and cybersecurity best practices.
- **Secure data transfers:** Implemented and monitored controls for external data transfers to minimize exposure risks.
- **Cybersecurity monitoring:** Maintained a High Cyberspace Index rating through real-time dashboards and performance tracking.
- **Cyber threat management:**
  - Launched a cybersecurity awareness campaign.
  - An active Threat Management Team addresses alerts from various intelligence sources within SLA timelines.
  - Maintained zero cybersecurity incidents in 2024.
- **Disaster recovery improvements:**
  - Enhanced IT Disaster Recovery Infrastructure,
  - Reducing Recovery Time Objective (RTO) to five minutes.

10.7 SUSTAINABLE INSURANCE →

Saudi Re continues to drive sustainable insurance practices, integrating environmental, social, and governance (ESG) principles into its operations. By embedding ESG considerations across its diverse reinsurance portfolio, the Company delivers responsible risk transfer solutions that protect communities while supporting environmental sustainability. This commitment reinforces Saudi Re's leadership in fostering a more resilient and sustainable future.

Sharia-compliant sustainability

Saudi Re integrates sustainability into its Sharia compliant investment strategy, ensuring ethical financial practices. The Company avoids investments in industries deemed harmful to society while structuring transactions to promote equality, inclusion, and economic growth. By adhering to these principles, Saudi Re fosters a responsible and sustainable financial ecosystem.

Enhancing insurance literacy

Recognizing the importance of insurance literacy, Saudi Re actively promotes awareness and education within the industry. Through training workshops and technical programmes, insurance professionals gain insights into responsible and sustainable insurance practices. These initiatives empower stakeholders with knowledge and tools to enhance industry standards.

Education and talent development

Saudi Re collaborates with actuarial science departments at leading universities, offering internships and training that bridge theory and practice. By nurturing young talent, the Company strengthens the industry and reinforces long-term sustainability through education and mentorship.

Integrating (ESG) principles into core operations and decision-making

Saudi Re embeds sustainability into its operations, focusing on financial and social inclusion, environmental responsibility, sustainable investments, and ethical procurement. The Company avoids harmful investments, ensures transparent assessments of business partners, and prioritizes employee engagement, development, and Saudization. Its governance framework upholds trust, transparency, accountability, and ethical conduct to protect stakeholder interests. This comprehensive approach aligns with global corporate responsibility standards, reinforcing Saudi Re's commitment to sustainable growth and long-term value creation.

The Company has been successful in integrating and mainstreaming ESG into business activities and business decision through the following measures:

- Focusing on sustainability, equity, and ethical conduct across all business activities.
- Initiatives to minimize environmental impact and promote sustainable practices.
- Enhancing social well-being through responsible business strategies.
- Maintaining strong governance practices for ethical and responsible operations.
- Continuous efforts to improve ESG performance and benchmark against listed companies.

Promoting financial/insurance literacy

We held two training sessions to enhance insurance literacy and improve access to insurance, equipping participants with essential knowledge and insights to navigate the industry effectively and promote broader financial inclusion.

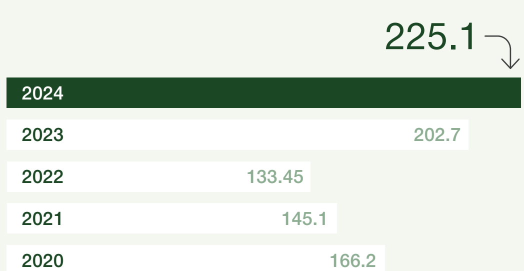
Managing environmental/climate risk

Saudi Re encounters moderate environmental risks, primarily from climate-driven events affecting its global property catastrophe (re)insurance portfolio. To manage these challenges, the Company implements proactive strategies including:

- Annual policy repricing to align with evolving risk landscapes.
- Regular updates to catastrophe models for improved predictive accuracy.
- Strategic use of retrocessional protection to reduce potential losses.
- Business diversification to minimize exposure to climate-related risks.
- Maintaining strong capitalization to enhance financial resilience.

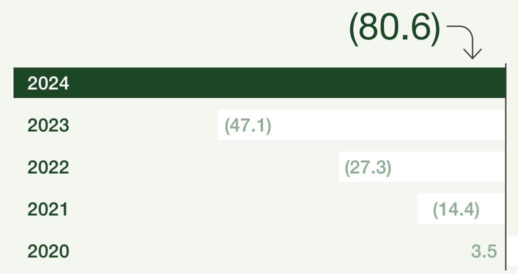
[SASB – FN-IN-450a.1]

Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes (⃁ million)



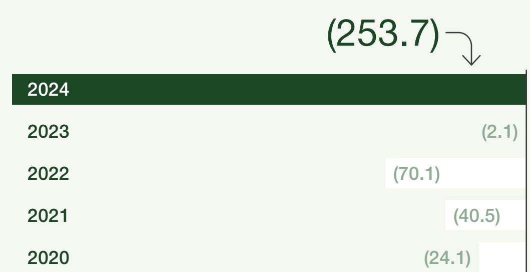
[SASB FN-IN-450a.2] – a

Total amount of monetary losses attributable to insurance payouts from modeled natural catastrophes, by type of event and geographic segment (⃁ million)



[SASB FN-IN-450a.2] – b

Total amount of monetary losses attributable to insurance payouts from non-modeled natural catastrophes, by type of event and geographic segment (⃁ million)

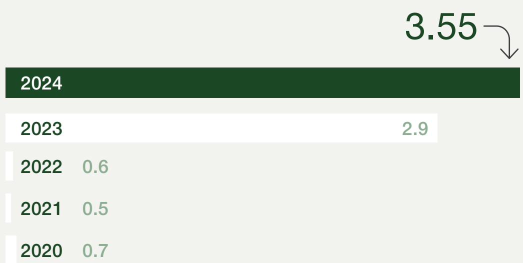


Incentivising sustainable practices

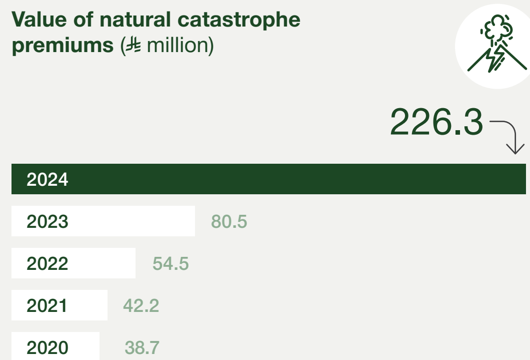
Saudi Re incentivises sustainable practices by rewarding eco-friendly initiatives, promoting sustainable investments, supporting green innovations, and recognizing efforts that align with environmental, social, and governance (ESG) principles across its operations.

[SASB FN-IN-410b.1]

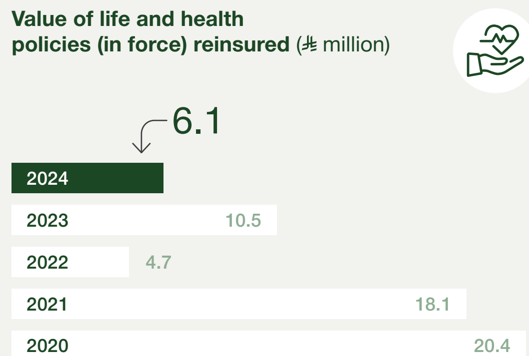
Net premiums written related to renewable energy, energy efficiency, cleaner production, low-carbon technology (⃁ million)



Value of natural catastrophe premiums (⃁ million)



Value of life and health policies (in force) reinsured (⃁ million)



Protecting communities

Saudi Re's dedication to corporate social responsibility is deeply embedded in its core reinsurance operations. We recognize the vital role that the insurance and reinsurance industry play in promoting social well-being by mitigating risks, reducing uncertainty, and providing a safety net for institutions, industries, and individuals. We have consistently demonstrated this commitment through reinsurance coverage for natural catastrophes, life, and health policies, delivering tangible benefits to a wide range of sectors and communities. This approach underscores our mission to contribute meaningfully to societal resilience and sustainable development.

Responsible investment

Saudi Re promotes responsible investment by allocating capital to projects focused on social good, renewable energy, energy efficiency, cleaner production, and low-carbon technologies, supporting sustainable growth and reducing environmental impact.

SASB - FN-IN-410a.1	**2024 ⃁ '000**	2023 ⃁ '000	2022 ⃁ '000	2021 ⃁ '000	2020 ⃁ '000
Total invested assets (differentiated by industry and asset class)					
– Reinsurance operations investments	**1,030,895**	682,534	645,291	560,257	355,498
– Shareholders investments	**1,236,594**	956,460	932,094	926,746	974,455

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10.8 SUPPORTING OUR COMMUNITIES →

Saudi Re is committed to enhancing the socio-economic development of the communities through targeted initiatives and innovative and socially responsible practices. Our dedication to social responsibility is reflected in our Code of Professional Conduct and Ethics, which guides our actions and policies.

We tailor our focus areas to meet the specific needs of each community. Our efforts aim to foster economic growth, create job opportunities, improve education, provide healthcare services, support youth development, and engage in philanthropy. We respect the traditions and ethical values of the communities we operate in, ensuring our services align with their quality of life and address their fundamental needs. Over the years, our contributions have positively impacted economic growth, job creation, education, healthcare, youth development, and charitable activities.

Saudi Re engages with local communities primarily through the active participation of its employees. By empowering its workforce, the Company cultivates meaningful relationships with families and the wider social network, including employees, partners, and suppliers. This strategy underscores Saudi Re's dedication to making a positive social impact and strengthening community ties.

We have organized a range of charitable activities where our employees actively participated by donating PCs, laptops, accessories, and clothing to charities in need. This initiative not only supports those less fortunate but also embodies our ethos of giving back.

To ensure the well-being of our employees and their families, we conduct regular health checkups. These efforts positively influence the communities around us by promoting health awareness and preventive care.

We also believe in the importance of family in the workplace, which is why we hosted the first of our annual "Bring Your Joy to Work" family day. This event celebrates family connections through a variety of family-friendly activities, workplace tours, workshops, and recognizing the contributions of our employees. It aims to promote unity, work-life balance, and strengthen the bonds among colleagues and their families.

Saudi Re's family day

Safety is another cornerstone of our corporate culture. We have launched a driving simulation campaign titled "Be Aware Drive with Care," which encourages a culture of safety and well-being among our employees. Additionally, we conduct regular safety and fire drills to ensure preparedness and instil confidence in our workplace safety protocols.

Creating a cultural shift within

Recognizing the importance of community involvement, we have implemented internal campaigns that emphasise the significance of volunteering. These initiatives encourage our employees to engage actively in community service, reinforcing our commitment to corporate social responsibility

An internal campaign has been circulated to highlight the importance of volunteering in honour of Saudi and International Volunteer Day. Our main focus is on creating a positive impact in the community through the collective efforts of our dedicated employees. We believe in nurturing a work environment that benefits both our team members and the broader community. Our current goal is to leverage our workforce's strengths to make meaningful and sustainable contributions that extend beyond mere numbers.

To positively affect the community through Saudi Re's employees, we aim to cultivate a culture of social responsibility, encouraging our team members to engage actively in community service initiatives. We also prioritize professional development programmes that empower our staff to apply their expertise to community projects, creating a meaningful and lasting impact. Through these collective efforts, we strive to improve the well-being of the communities we serve and demonstrate our commitment to corporate social responsibility.

One of our key objectives is to create employment and development opportunities for national youth. We achieve this commitment through several initiatives:

- **Charitable contributions:** We support charities through direct donations and indirect means to tackle critical social issues.
- **Sponsorship of initiatives:** We actively sponsor a variety of programmes, including sports events, insurance conferences, and workshops, to enhance community well-being and development.
- **Youth employment and development programmes:** We provide job opportunities tailored for young professionals and develop programmes to cultivate their skills and talents.
- **Internships and summer jobs:** We offer students valuable real-world experience through internships and summer job programmes, helping to shape future leaders.
- **Investment in community prosperity through Zakat:** We invest in community prosperity through Zakat, contributing to sustainable development and addressing the needs of the less fortunate.

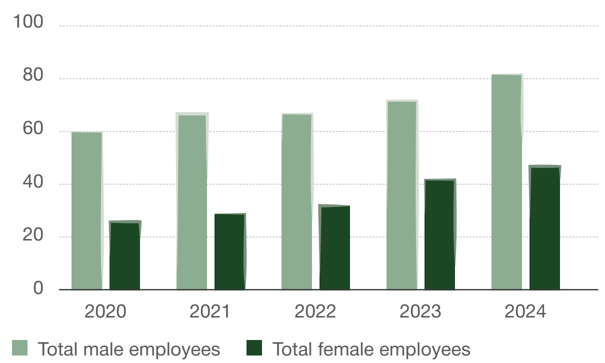
Our commitment to social responsibility extends beyond compliance; it reflects our genuine desire to be a positive force for change in our communities. By aligning our efforts with local needs and maintaining ethical standards, we aim to make a lasting impact on the well-being and progress of the societies we serve.

10.9 PRIORITISING OUR PEOPLE →

The employees of Saudi Re are crucial to our growth and continued success. Their expertise and experience greatly enhance our strength, growth, and adaptability, driving the Company forward. We recognize their contributions as vital to achieving our goals and navigating the challenges of the industry effectively. Their commitment is invaluable to our mission.

Employees by gender

(Nos.)

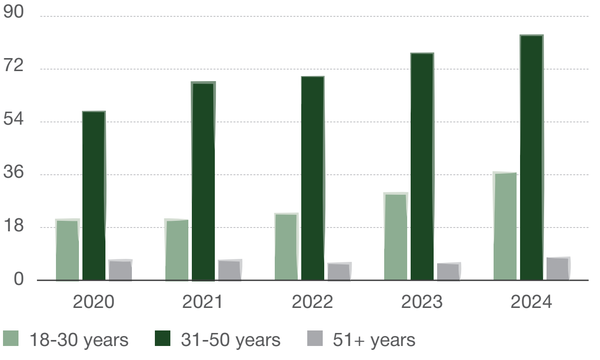


Employees by employment level

(Nos.)

Age analysis of employees

(Nos.)



Training and development

Training and development at Saudi Re are vital for building a skilled, innovative, and adaptable workforce. Emphasising needs-based and future-ready training aligning with international best practices, Saudi Re equips employees with tailored skills to address current challenges while preparing for industry advancements. This strategic focus enhances operational efficiency, fosters innovation, and ensures competitiveness in a dynamic global reinsurance landscape, enabling the Company to meet emerging market demands and maintain leadership in a rapidly evolving industry.

The training and development policy at Saudi Re includes the following key elements:

Training needs identification

Training requirements are identified through annual performance appraisals, succession planning, promotion evaluations, and responses to technological or regulatory changes. To ensure employees' skills remain aligned with job requirements, a comprehensive competency gap analysis is conducted, enabling effective role fulfillment and enhancing organizational adaptability. This proactive approach helps in identifying areas for improvement, fostering continuous professional development, and ensuring that the workforce remains equipped to meet evolving business and industry demands.

Saudi Re Development Programme (SRDP)

Saudi Re's Development Programme (SRDP) enhances employee growth through various initiatives. Job rotations and on-the-job training expose junior employees to different departments, providing a holistic understanding of the Organization's functions and fostering versatile skill development. In-house workshops, led by senior staff and external experts, cover both technical and non-technical topics, offering valuable insights and experiences. Employees are encouraged to pursue professional qualifications, with costs reimbursed upon successful completion, ensuring they remain competitive in their fields. Additionally, soft skills training focuses on developing key attributes such as communication, teamwork, and leadership, which are essential for career advancement. Technical training is also provided in specialized areas like reinsurance, risk management, and finance to meet industry demands and strengthen professional expertise.

Administration and monitoring

The HR Department oversees the administration of training programmes, ensuring alignment with allocated budgets and organizational priorities. Comprehensive records of participation and outcomes are maintained to monitor effectiveness, assess impact, and guide future initiatives, ensuring continuous improvement in employee development.

Scholarship programmes

- High-performing employees with exceptional academic and professional track records are eligible for scholarship programmes. Tuition fees are reimbursed within predefined limits, encouraging further education and expertise.

Miscellaneous provisions

- Support is offered for employees seeking to enhance their English proficiency or join professional memberships, subject to approval and successful completion of the programme requirements.

A consistent training and development regimen is fundamental to Saudi Re's ongoing commitment to its workforce. Through Saudi Re Development Program (SRDP), we identify and address skill gaps in line with our medium- to long-term objectives. Our talent and knowledge development initiatives aim to cultivate essential skills and boost individual performance, aligning with the Company's strategic goals.

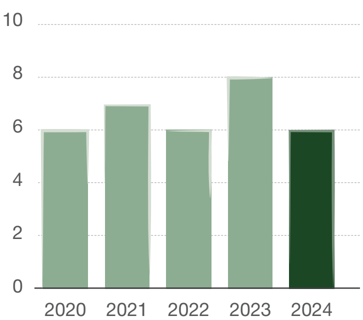
Throughout the year, Saudi Re invested in various training programmes focusing on priority topics, including international Reinsurance Training Programmes (RTPs) held in Switzerland, the UK, and the UAE.

Professional certifications achieved in 2024:

- Information Systems Auditor
- Associate in Risk Management
- Cert CII
- ACII
- Project+

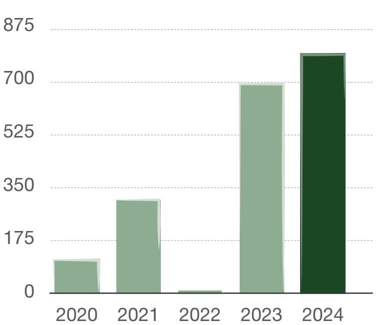
Average training man-days per employee (days)

(Days)



Investment on employee training and development

(⃁ '000)



2024 Future leaders programme

The 2024 Future Leaders Programme aims to identify and nurture high-potential employees, providing them with leadership training and development opportunities. This initiative ensures a strong pipeline of capable leaders to drive Saudi Re's future growth.

Key training areas covered in 2024:

Market training sessions:

- DNO Liability Insurance Seminar
- Business Insurance Simulation

In-house training sessions:

- Business Continuity Management (BCM) Awareness Workshop
- Workshop for Power BI dashboard
- Data Privacy
- Individual Credit Life Medical Underwriting
- Compliance and Corporate Governance Workshop
- Facultative Property Pricing Tool
- Reinsurance Accounting System
- Saudi Re CRM

10 SUSTAINABILITY PERFORMANCE

A continuous orientation programme is established to familiarize new hires with the Company's operational processes and protocols. The Saudi Re Competency Framework Project acts as a valuable resource, enabling employees to acquire essential skills that enhance performance and support career advancement.

At the executive level, we emphasize succession planning, especially for critical financial management positions. This comprehensive strategy includes specialized training for high-performing individuals, equipping them to effectively navigate the complexities of a dynamic business environment. Regular performance assessments and career development discussions are essential components conducted across all organizational levels.

Diversity and inclusion

In 2024, Saudi Re's workforce comprised individuals from 11 different nationalities, showcasing its commitment to diversity and inclusivity. The Company maintained a high return-to-work and retention rate, with an average employee tenure of four years, reflecting its focus on employee satisfaction, support, and long-term engagement.

Commitment to female employees

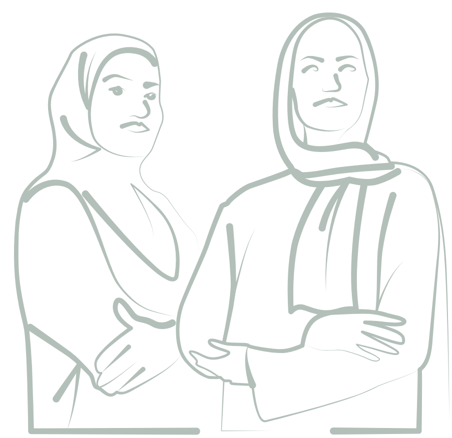
Saudi Re demonstrates its commitment to female employees through inclusive policies, equal opportunities, and a supportive work environment. Initiatives include flexible working hours, maternity benefits, leadership training, and harassment-free workplace policies. These measures empower women, promote career growth, and reinforce Saudi Re's dedication to diversity, equity, and workplace well-being.

- In 2024, female employees at Saudi Re received an average of 676 training hours, accounting for 40% of the total training hours.
- Saudi Re's parental leave policy provides 10 weeks (calendar days) for female employees following each delivery, while male employees are entitled to three working days for the birth of a new baby.
- A total of 57 employees were eligible for parental leave in 2024, with four employees taking advantage of this benefit during the year.

Female employees (%) – 2024

36

2020	2021	2022	2023
30	30	32	37



Employee Engagement

Employee engagement is central to Saudi Re's success, fostering a sense of belonging and motivating employees to contribute their best. The Company offers a range of initiatives that promote team spirit, recognition, and well-being.

- **Outings and annual gathering:** Special events like Outings and annual gathering provide opportunities for employees to connect, socialise, and unwind outside the workplace.
- **Ongoing coaching and job rotations:** Continuous coaching and job rotations allow employees to develop new skills and gain broader experience across different departments, enhancing personal and professional growth.
- **Celebrate holidays and Ramadan gifts:** Saudi Re celebrates significant holidays, such as Ramadan, by offering thoughtful gifts, creating a festive and appreciative atmosphere.
- **Celebrate achievements – Announcement email:** Employee accomplishments are recognized through announcement emails, fostering a culture of celebration and recognition.
- **WalaPlus programme:** The WalaPlus programme is a specialized employee engagement initiative that offers various discounts to employees and their family members, promoting well-being and financial savings.
- **Participation in CSR activities:** Employees actively engage in Corporate Social Responsibility (CSR) activities in collaboration with specialized centers and charities, giving back to the community and enhancing Company culture.
- **Bank special offers:** Saudi Re partners with banks to offer exclusive loans and credit card deals for employees, providing financial support and additional perks.
- **The "Bring Your Child to Work"** Initiative creates a family-friendly workplace, allowing employees to share their work environment with their children. This fosters inclusivity, strengthens employee loyalty, and promotes a healthy work-life integration.

Health and Well-Being

At Saudi Re, health and well-being of employees are priorities, with a comprehensive approach to employee wellness.

- Medical insurance coverage is provided for all staff and their family members, ensuring access to essential healthcare services.
- The Company runs health and wellness awareness campaigns, including the WalaPuls programme, which offers discounts on gym memberships and healthy food options.
- Regular awareness emails are sent to employees, covering health tips, breast cancer awareness, flu prevention guidelines, and more.
- Flu vaccines are organized annually at Saudi Re's headquarters, offering all employees the opportunity to receive vaccination.
- Yearly medical check ups

Saudi Re's Yearly Medical Check Up

Work-life balance

At Saudi Re, work-life balance is a key focus, with initiatives designed to support employees in balancing their personal and professional lives.

- The Company offers flexible leave policies and paid vacation, allowing employees to take time off when needed.
- Educational support is provided, enabling employees to pursue continuous learning while maintaining their work responsibilities.
- Permissions are granted to accommodate personal needs, promoting flexibility in daily routines.
- Saudi Re also provides dependent fees assistance, supporting employees with family-related financial needs.

Employee grievance handling and non-discrimination

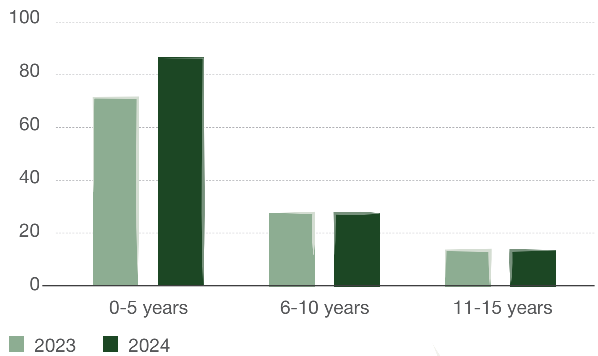
Saudi Re has implemented robust measures to handle employee grievances and ensure a discrimination-free workplace. The Company has established a clear grievance redressal framework, enabling employees to voice their concerns through confidential channels. Regular training sessions and awareness programmes are conducted to educate employees about workplace ethics, inclusivity, and the importance of mutual respect. Saudi Re also has stringent antidiscrimination policies in place, ensuring fairness in hiring, promotions, and daily interactions.

The zero reported cases of discrimination reflect the effectiveness of these measures and the Company's commitment to fostering a positive, respectful, and equitable work environment. By maintaining an open-door policy and ensuring that grievances are promptly addressed, Saudi Re demonstrates its dedication to employee well-being and its role as an employer of choice.

Service analysis of employees

Years of service

(Nos.)



10.10 PROTECTING OUR PLANET →

Our Company is committed to addressing climate change and supporting Saudi Vision 2030. We implement comprehensive initiatives designed to promote sustainability and foster a better future for everyone, reflecting our dedication to environmental responsibility and positive impact in the communities we serve.

Setting carbon neutrality goals

We have established clear carbon neutrality targets and are actively investing in renewable energy sources. This foundational step is crucial in reducing our overall environmental impact.

Promoting a circular economy

Our focus on promoting a circular economy encourages resource efficiency and waste reduction. We engage with local communities to raise awareness and foster sustainable practices.

Innovative technologies and collaborations

We embrace innovative technologies and form strategic collaborations to enhance our environmental initiatives. By leveraging new solutions, we aim to improve our sustainability efforts and drive meaningful change.

Employee engagement and transparency

Fostering employee awareness is essential to our mission. We prioritize transparency in monitoring and reporting our progress, ensuring that our team is informed and engaged in our sustainability journey.

Managing our environmental footprint

While our business model limits our environmental impact, we are committed to minimizing our footprint by reducing water and energy consumption and improving waste management practices. We believe in preserving resources for future generations.

Paper recycling initiatives

A key focus area of our environmental management strategy is the implementation of paper recycling practices. By integrating recycling into our operations, we aim to reduce greenhouse gas (GHG) emissions and enhance our overall environmental sustainability.

Some of our key initiatives in this regard are:

- **Energy efficiency:** Implementing more efficient energy devices by replacing defective or outdated electrical equipment with energy-saving alternatives and installing motion sensors for lighting.
- **E-waste partnership:** Collaborating with a non-profit organization focused on collecting, refurbishing, and distributing used computers to educational and social institutions.
- **Recycling campaign:** Launching the “Recycle for a Good Cause” campaign, aimed at collecting recycled materials for donation to charities, which can sell these materials for their benefit.
- **Energy savings:** Replacing defective or outdated electrical devices with more efficient devices
- **Water conservation:** Installing faucet aerators to reduce water consumption.
- **Effective waste management:** Implementing donation programmes for improved waste management.

The environmental impact of our operations is minimal due to our business model. Nevertheless, we strive to manage our environmental footprint by minimizing water and energy consumption, improving waste management, and actively contributing to the preservation of resources for future generations.

10 SUSTAINABILITY PERFORMANCE

GRI 305-1

Direct GHG emissions – Scope 1 (2024)

392 tCO_2e

2020	2021	2022	2023
284 tCO_2e	387 tCO_2e	389 tCO_2e	384 tCO_2e

GRI 305-4

GHG emission intensity (2024)
(GHG emissions per employee)

4.22 tCO_2e

2020	2021	2022	2023
3.30 tCO_2e	4.03 tCO_2e	3.92 tCO_2e	4.20 tCO_2e

GRI 306-3

Total waste generated (2024)

1,830 kg

2020	2021	2022	2023
900 kg	1,170 kg	1,455 kg	1,650 kg

GRI 306-4

Total waste recycled (2024)

663 kg

2020	2021	2022	2023
315 kg	632 kg	640 kg	655 kg

GRI 303

Water intensity

Total water consumption per employee (2024)

20.37 m^3

2020	2021	2022	2023
11.10 m^3	20.0 m^3	19.58 m^3	20.28 m^3

GRI 301

Total paper consumption (2024)

351 kg

2020	2021	2022	2023
270	381	391	345

GRI 306-4

Total paper recycled (2024)

10 kg

2020	2021	2022	2023
4 kg	10 kg	10 kg	10 kg

CORPORATE GOVERNANCE

11 GOVERNANCE

Saudi Re's governance structure provides a framework which includes the policies, rules, and standards which guide the Company's activities, and ensure protection of the rights and interests of its stakeholders and other shareholders. The Company's governance structure also regulates the relationships and communication between the Board, the Executive Management and the shareholders. Saudi Re's policies are aligned with regulations issued by the Insurance Authority and CMA and in compliance with national laws and regulations as outlined below. This section also outlines the responsibilities and competencies of the Board, its Committees, and the Executive Management.

The Company has committed to implementing all the articles of the corporate governance regulations issued by the Capital Market Authority during the year 2024, except for paragraph B of Article 90, where the Company has committed to disclose the details of the remuneration of senior executives in total and has not disclosed them in detail in accordance with the schedule specified in Annex (1) of the Corporate Governance Regulations, in order to avoid the harm that may be caused by presenting the details to the interest of the Company and its shareholders, based on paragraph E of Article 32 of the rules on the offering of securities and continuing obligations.

11.1 COMPLIANCE WITH LAWS AND REGULATIONS →

During the year under review, in general, the Company complied with laws and regulations applicable in the Kingdom of Saudi Arabia, including the following:

- Laws and regulations issued by Capital Markets Authority (CMA).
- Laws and regulations issued by Insurance Authority, including the Corporate Governance Regulations.
- Zakat and Income Tax Regulations issued by the Zakat and Income Tax Department.
- Labor Law issued by the Ministry of Human Resources and Social Development.
- The Company Law issued by the Ministry of Commerce.

11.2 BOARD OF DIRECTORS →

The Company is managed by a Board of Directors consisting of 11 members who are appointed by the shareholders in the Ordinary General Assembly for a period of three years from 11 May 2020 to 10 May 2023.

11.3 MEMBERS OF THE BOARD OF DIRECTORS →

Mr Abdullatif Al-Fozan
Non-Executive Member

Current Positions

- Chairman of the Board of Directors, Chairman of the Executive Committee and member of the Investment Committee
- Member of the Board of Directors of Al Fozan Holding Company
- Member of the Board of Directors of United International Holding Company
- Chief Operating Officer – Al Fozan Holding Company
- Board Member at Tasheel Finance Company
- Board Member at Alpha Capital
- Member of the Board of Directors of the United Company for Home Appliances
- Managing Director and Board Member of Ascend Health Solutions
- Member of several Boards of Directors of companies in the real estate development, nutrition, environmental services, electronics and contracting sectors

Previous Positions

- Board Member of Probitas Holdings (Bermuda)
- Credit Analyst and Corporate Relationship Manager – Banque Saudi Fransi
- Consultant – Mergers & Acquisitions – Ernst & Young
- Business Development Manager – Al Fozan Holding Company
- Member of the Board of Directors of the National Glass Industries Company (Glass)

Qualifications

- Bachelor's degree in economics from the University of Toronto, Canada.

Experience

- Over 10 years of experience in the investment and financial management sector

Mr Turki Al-Sudairy
Non-Executive Member

Current Positions

- Vice Chairman of the Board of Directors, Member of the Executive Committee and Technical Committee
- Board Member Lightweight Construction – SIPOREX (Closed Joint Stock)
- Executive Committee Member Lightweight Construction – SIPOREX (Closed Joint Stock)
- Board Member – Alpha Capital Saudi Freestyle Nomu Fund
- Board Member – Al Khoyool Al Arabia – Alpha Office Fund
- Board Member Alpha Capital Masar Land Development Fund
- Board Member Alpha Capital Tahaluf Alawaly Fund
- Board Member Alpha Capital Saudi F&B Growth Fund

Previous Positions

- Managing Partner and CEO Abdul Latif Jameel Insurance Brokers
- CEO StarCare Insurance Brokers (Owned 100% by Abdul Latif Jameel Insurance Brokerage).
- Entrepreneurship Committee Member – Chamber of Commerce of Riyadh.
- Vice Chairman of the General Committee of Insurance and Reinsurance Brokerage Saudi Arabian Monetary Authority (SAMA).
- Board Member Alpha Capital Saudi Real Estate Development Fund 2.
- Board Member Alpha Murabaha Fund.
- Health Insurance Permanent Committee Member Council of Cooperate Health Insurance.
- Endorsement Experts Committee – Alrajhi Humanitarian Foundation.
- Youth Businessmen Committee Member – Chamber of Commerce of Riyadh.
- Saudi-French Business Council Member – Council of Saudi Chambers.
- Project Coordination Manager of ANM Consortium Riyadh Metro Project.
- Project Coordinator Bombardier Aerospace.

Qualifications

- Bachelor's Degree in Finance from Concordia University in Canada.

Experience

- More than 10 years experience between Insurance, Entrepreneurship and Project Management

Mr Fahad Al-Hesni*
Executive Member

Current Positions

- Consultant at the Insurance Authority

Previous Positions

- CEO & Managing Director
- Board Member of Probitas Holdings (Bermuda)
- Member of the World Insurance Association (IIS)
- Vice President of Property and Casualty Insurance Sector at Tawuniya Insurance Company

Qualifications

- Associate Insurance Chartered Insurance Institute (CII)
- Master's degree, Insurance and Risk Management – City University, UK

Experience

- More than 25 years of experience in the insurance and reinsurance industry

** His membership in the Board of Directors and its committee's and as CEO ended with his resignation on 1 April 2024*

Mr Ahmed Sabbagh*
Non-Executive Director

Previous Positions

- Member of the Board of Directors, member of the Technical Committee, Risk Committee, and Nominations and Remuneration Committee
- Member of the Board of Trustees of the Arab Insurance Institute
- General Manager, one of its founders, and member of the Board of Directors of the Islamic Insurance Company in Jordan
- Member, Vice-President and President of the International Federation of Takaful and Islamic Insurance Companies
- Member of the Board of Directors of the General Council for Islamic Banks and Financial Institutions.

Qualifications

- Bachelor's degree in Business Administration from Beverly Hills University, California

Experience

- More than 45 years of experience in the insurance and reinsurance industry in the Middle East during which he assumed various leading roles
- Published six books about Takaful and Cooperative Insurance in both English and Arabic languages

** Mr Ahmed's membership in the Board of Directors and its committee's ended with his resignation on 24 December 2024*

Eng. Hussam Al-Suwailem
Independent Director

Current Positions

- Member of the Board of Directors, Member of the Investment Committee.

Previous Positions

- International investments analyst covering M&A, venture investments and infrastructure project. SALIC (2014 – 2016)
- Credit Portfolio Manager. SAMBA Financial Group, National Commercial Bank, Riyad Bank. (2006 – 2014)

Qualifications

- Certified Fraud Examiner (CFE) – Association of Certified Fraud Examiners, 2022, USA
- Chartered Alternative Investment Analyst (CAIA) – CAIA Association, 2020, USA
- Chartered Financial Data Professional (FDP) – FDP Institute, 2019, USA
- Master of Applied Finance, Macquarie University, 2012 – Sydney, Australia
- Bachelor of Electronics and Communications Engineering, King Saud University, 2006 – Riyadh, Saudi Arabia

Experience

- Eng. Hussam's experience covers various interrelated disciplines such as corporate governance, asset management, modelling, and structuring investment transactions. Those fields bring about the knowledge Hussam technically employs to achieve optimal strategic resources allocation without compromising risk management frameworks and guidelines

Eng. Abdulaziz Al-Shiekh

Independent Director

Current Positions

- Member of the Board of Directors, member of the Investment Committee and the Nominations and Remuneration Committee
- Co-Founder and Managing Director of Spectrum Pharmaceuticals.
- General Manager at Spectra Medical Company.
- Vice Chairman of Ayan Investment Company
- Chairman of the Board of Directors of Tal Debt Crowdfunding Company.

Previous Positions

- General Manager of Medical Devices Johnson & Johnson
- General Manager "Banaja Holding"
- Chairman of Korn Ferry International

Qualifications

- Master's degree in international finance and marketing from the American University in Washington
- Master's degree in business administration, Finance and Marketing from the American University in Washington
- Bachelor's degree in chemical engineering from King Saud University

Experience:

- More than 20 years of experience in finance, investment, and medical services.

Mr Abdulrahman Al-Jalal

Independent Director

Current Positions

- Member of the Board of Directors, member of the Executive Committee and Chairman of the Nomination and Remuneration Committee
- CEO of Dhahran International Exhibitions Company
- Member of the Board of Directors of Retal Urban Development Company
- Member of the Executive Committee, Nomination and Remuneration Committee and Audit Committee, Retal Urban Development Company
- Chairman of the Board of Directors of Tadbeer Company Ltd.
- Chairman of the Board of Directors Tadbeer Environmental Services Co. Ltd.
- Board Member of Building Construction Company.
- Member of the Board of Directors of Nesaj Residential Complex Co. Ltd.
- Member of the Board of Directors of Creative Experiments Company Ltd.
- Member of the Board of Directors of The Ritz-Carlton Residence Al Khobar.
- Founder Partner of Hajiz Investment Company.
- Founder Partner of Construction Projects Holding Company.
- Founder Partner Esteva Alturba Company.

Previous Positions

- Executive Vice President for Financial Affairs GASCO, National Gas and Industrialization Company.
- Assistant Secretary General – Asharqia Chamber
- Finance, Budgeting and Reporting Section Head Advanced Petrochemical Company.
- Senior Accountant – Saudi Electricity Company.
- Board member of NABA ALSAHA Company.

Qualifications

- Master's degree in Business Administration from University College of Bahrain
- Bachelor's degree in Accounting from King Saud University

Experience

- More than 25 years of experience in energy, petrochemicals and services sectors in private, semi-govermental companies and civil society institutions

Mr Abdulaziz Al-Bassam
Non-Executive Director

Current Positions
- Member of the Board of Directors and Chairman of the Investment Committee
- Chief Executive Officer and Chief Investment Officer of Aljomaih Holding Company
- Member of the Board of Directors of Itqan Capital
- Member of the Board of Directors of Alujain Company
- Member of the Board of Directors of Al Arabi Capital
- Board Member at SAB Investment
- Member of the Board of Directors of Aljomaih Energy and Water Company

Previous Positions
- Co-founder of the startup Arpenhill – USA
- Co-founder and CEO of Oasis Capital – USA
- Chief Executive Officer of Abdullah Ibrahim Mohammed Al Subaie Holding Company “AIMS Investment”

Qualifications
- Chartered Financial Analyst (CFA) certification from the CFA Institute.
- Master’s degree in business administration from Harvard Business School United States of America.
- Bachelor’s degree in financial management, Entrepreneurship, and Economics from Northwestern University, United States of America.

Experience
- More than 16 years of experience in the financial and investment sector

Dr Mosa bin Akresh*
Independent Director

Current Positions
- Cybersecurity Strategy Expert at Saudi Company Artificial Intelligence SCAI

Previous Positions
- Member of the Board of Directors, Member of the Investment Committee
- Advisor to the Minister of Culture and Information at the Saudi Council of Economic and Development Affairs
- Member of the Board of Directors of “BATIC Investment & Logistics Company”

Qualifications
- PhD in Development Studies and Public Policy in Emerging Economies from King’s College London.
- Master’s degree in Development Management from the London School of Economics and Political Science.
- Bachelor’s degree in International Business from Al Yamamah University.
- Bachelor’s degree in International Business from the University of Grenoble.

Experience
- Dr Moussa has diverse experience in business strategy, investment analysis, economic research, and government advisory roles

** Dr Moussa’s membership in the Board of Directors and its committee’s ended with his resignation on 24 December 2024*

Mrs Kubra Ghulam Radhi
Independent Member

Current Positions
- Member of the Board of Directors, Member of the Audit Committee, and Chairperson of the Risk Management Committee
- Board Member at Procco Financial Services (Bahrain), and Member of the Audit Committee
- Board Member at United Financial Services Company – Tasheel Finance, and Chairperson of the Risk Management Committee
- Board Member at United International Holding Company, and Member of the Audit Committee
- Partner at Milestone Accounting and Consulting

Previous Positions
- Senior Executive Director and Head of Risk Management at First Energy Bank.
- Senior Vice President and Head of Credit (Risk and Administration) Al Salam Bank, Bahrain
- Vice President and Head of Credit Risk Management at JPMorgan Chase, Middle East

Qualifications
- Certified Public Accountant from Illinois, USA
- Master’s degree in business administration, Investment and Finance from the University of Hull – UK
- Bachelor’s degree in business administration from the University of Bahrain

Experience
- More than 32 years of experience in risk management and finance

Mr Waleed Al-Monie
Independent Director

Current Positions
- Member of the Board of Directors, Member of the Executive Committee and the Nomination and Remuneration Committee
- Corporate Operations Audit Director at the King Abdullah Financial District Development and Management Company.

Previous Positions
- Enterprise Projects Management Office Director at the King Abdullah Financial District Development and Management Company.
- Governance and Systems Senior Manager in the Enterprise Project Management Office at the King Abdullah Financial District Development and Management Company.
- Head of Planning and Governance of the Decision Support General Department in the Zakat, Tax and Customs Authority.
- Project's Portfolio Manager at the Zakat, Tax and Customs Authority.

Qualifications
- Master's degree in Information Management and Technology from Macquarie University – Australia
- Bachelor's degree in Computer Information Systems from Fraser Valley University – Canada

Experience
- Expert in organizational transformation, governance, quality, performance management and decision support with an extensive experience in leading and managing large scale strategic initiatives and projects across various large and reputable organizations.

Mr Fahad Al Jomaih*
Non-Executive Member

Current Positions
- Member of the Board of Directors.
- Director of the Department – Middle East and North Africa Investments at the Public Investment Fund
- Member of the Board of Directors and Member of the Audit Committee of Yanbu Cement Company
- Member of the Investment Committee of the Saudi Exchange
- Member of the Board of Directors and Member of the Executive Committee of D360 Bank
- Member of the Investment Committee of the Saudi Company for Development and Technology Investment (TAQNIA)
- Member of the Nomination and Remuneration Committee at Alat Technologies

Previous Positions
- Senior Vice President, Middle East and North Africa Investment Department, Public Investment Fund.
- Chief Investment Officer at Abdul Latif Jameel Investments
- Vice President, Investment Banking, Saudi Fransi Capital

Qualifications
- An MBA degree from the University of Portsmouth in the UK
- Master's degree in International Securities, Investments and Banking from the University of Reading, UK
- Bachelor's degree in Business Administration with a major in Finance and Insurance from Northeastern University in the United States

** Mr Fahad was appointed as a member of the Board of Directors on 25 December 2024*

Mr Mohmmad Al Sudairy*
Non-Executive Member

Current Positions
- Member of the Board of Directors.
- Acting Chief Executive Officer of King Abdullah Financial District Development Company
- Portfolio Manager in the real estate and local infrastructure sector at the Public Investment Fund

Previous Positions
- Director of Investment and Project Finance at Amlak International Real Estate Development Company
- Assistant in Corporate Finance at KPMG
- Assistant Director of Investment Banking at Samba Capital

Qualifications
- Master's degree in Business Administration from Oxford Brookes University in the United Kingdom.
- Bachelor's degree in Finance from King Fahd University of Petroleum and Minerals

Experience
- Mr Mohamed has over 17 years of experience in the financial management and real estate development sectors and previously worked as Investment and Project Finance Manager at Amlak International Real Estate Development Company, and previously worked at KPMG and Samba Capital.

** Mr Mohammad was appointed as a member of the Board of Directors on 25 December 2024*

11.4 COMMITTEE MEMBERS FROM OUTSIDE THE BOARD OF DIRECTORS

Name	Current Positions	Previous Positions	Qualifications	Experience
Mr Abdullah Al Farraj Independent external Chairman of the Audit Committee 	• Chief Financial Officer of Human Resources Development Fund	• Vice President for Financial Affairs of the Saudi Public Transport Company • Chief Financial Officer Saudi Ground Services • Chief Auditor – National Commercial Bank	• Master's degree in Accounting from the American University in Washington • Associate of the American Institute of Certified Public Accountants (CPA) • Associate of Saudi Organization for Certified Public Accountants (SOCPA)	• More than 20 years of experience in reinsurance, insurance, auditing, and financial management.
Mr Yanal Soudi Independent external member of Audit Committee 	• Member of the Board of Directors, Chairman and member of the Audit Committee of several companies.	• Served as Senior Partner in the Assurance Practice of Ernst & Young	• Bachelor of Arts in Business Administration - Oklahoma State University, the USA • Certified Public Accountant (CPA) – the USA	• 30+ years of experience in audit services, risk management and corporate governance – mainly, in Saudi Arabia
Tariq Zaino Independent external member of Audit Committee 	• Certified Public Accountant in his firm "Zaino CPA"	• GAZT – General Authority of Zakat and Tax • LTP Audit Assistant Director, CMA – Capital Market Authority • Senior Financial Officer at Appeal Committee Studies in General Secretariat of Committees for the Resolution of Securities • Manager in Tax and Zakat Compliance, Ernst & Young	• Bachelor's degree in Accounting Sciences from King Saud University • Fellowship certificate from the Saudi Organization for Certified Public Accountants (SOCPA), CME1 and CME2	• More than 17 years of experience in Accounting, Audit, Capital Market Violations, Zakat and Tax
Dr Peter Hugger Independent external member of Risk Committee 	• Board Member of MSG Global Solutions Zurich • Adviser to the Board at Innoveo AG Zurich	• Chief Executive Officer of Echo Reinsurance Ltd., Zurich • Senior Executive Vice President of Asia Capital Reinsurance Group Pte Ltd. Singapore	• Doctorate degree in Economics from the University of Konstanz, Germany	• More than 35 years of experience in the international insurance and reinsurance market

Name	Current Positions	Previous Positions	Qualifications	Experience
Jean-Luc Gourgeon Independent external member of Technical Committee and Executive Committee 	• Chairman of the Technical Committee and Member of the Executive Committee • CEO of own consulting company JLG Consulting Ltd.	• European General Manager of Everest Re Europe in the UK • CEO, and CUO of Paris Re in France • Board Member of Probitas Holding Company, Bermuda • Board Member of Probitas Corporate Capital, the UK	• Master's degree with Honors in Mechanic's Science from Ecole Centrale de Lyon, Claude Bernard University in France, INSA Lyon • Political Science degree of Institut d'Etudes Politiques de Paris	• More than 30 years of experience in the insurance and reinsurance industry
Bader Al Shaya Independent external member of Technical Committee 	• Co-founder and Chairman of Diamond Insurance Broker	• Chairman of Insurance & Reinsurance Brokerage Firms' Executive – Saudi Central Bank – SAMA • EVP Marketing and Sales – Solidarity Saudi Takaful Company • Head of General Takaful – SABB Takaful • Underwriting Executive – Tawuniya	• BA Law degree from King Saud University • Insurance Diploma from the Institution of Banking (IOB)	• 20+ years experience in insurance and reinsurance, product development and sales – mainly in Saudi Arabia
Mo'men Mukhtar Independent external member of Technical Committee 	• Secretary General at FAIR	• Chairman and Managing Director of Misr Insurance (Egypt). • Chief Underwriting Officer at Saudi Re, leading underwriting strategy across 40+ countries in MENA, Africa, and Asia. • Extensive tenure at Tawuniya (Saudi Arabia), holding key leadership roles in P&C, reinsurance, and actuarial functions. • Active Board Member and contributor to global insurance initiatives, including Egypt's Financial Regulatory Authority.	• BA in Commerce and business Administration, Economics and Foreign Trades from Helwan University	• 35+ years of global insurance and reinsurance experience

11.5 EXECUTIVE MANAGEMENT →

Mr Fahad Al-Hesni*

Former Managing Director – Chief Executive Officer

Mr Fahad Al-Hesni joined Saudi Re as an Executive Board Member in 2011, and he serves as the Managing Director and the Chief Executive Officer, in addition to his membership of the Executive Committee of the Company. Currently he is a Board Member of Probitas Holding Company (Bermuda). He is also a member of the International Insurance Society (IIS). He has more than 26 years of experience in the insurance and reinsurance industry during which he assumed various leading positions, last of which was the position of Vice President of Property and Casualty in Tawuniya. Mr Al-Hesni has a Master's degree in Insurance and Risk Management from City University of London and an Association degree from the Chartered Insurance Institute (CII) in the UK.

His membership in the Board of Directors and as CEO ended by his resignation on 1 April 2024.

Mr Ahmed Al-Jabr

Chief Executive Officer

Mr Ahmed was appointed CEO on 1 October 2024, he joined the Company in 2011 and has experience in the insurance sector of more than 20 years. Mr Al-Jabr assumed different roles within the insurance industry covering areas of human resources, strategy and business development. Mr Al-Jabr holds a Master's degree in Business Administration from Bradford University in the UK.

Mr Ahmed Al-Qarishi

Chief Underwriting Officer

Appointed in 2022, Mr Ahmed joined the Company in 2014 and has experience that exceeds 15 years, during which he occupied positions in Banking and Insurance supervision within the Saudi Central Bank. Mr Al-Qarishi has a Master's degree in Actuarial Science from Ball State. University in the USA; in addition, he is a Fellow of the Society of Actuaries in the USA (FSA).

Mr Waleed bin Ateeq

Chief Financial Officer

Mr Waleed brings over 19 years of experience across the insurance, finance, and investment sectors. He started his career at the Saudi Central Bank, where he contributed to both the Insurance Supervision Department, and the Investment Performance and Risk Control Department for 12 years. Then he steered the financial operations for Allianz Saudi Fransi – currently Mutakamela Insurance via the positions of Finance Manager and acting CFO at for more than three years. Following that, in 2022, Mr Waleed joined Saudi Re leading the Finance Department. Additionally, Mr Waleed is a CFA Charterholder with a Bachelor's degree in Economics from the USA and a Master's in Finance from Canada.

Mr Fadi Al Qutub

Chief Investment Officer

Mr Fadi joined Saudi Re in 2019 and previously held several positions in the field of investment and portfolio management for more than 21 years; his recent position was as the General Manager for Investment in Alistithmar Capital. Mr Fadi is a certified financial advisor from the Financial Services Authority in the UK, a certified portfolio manager and a certified wealth manager from the American Academy of Financial Managers. Mr Fadi holds a Bachelor's degree from the University of Bahrain in Business Management.

Mr Isa Ebrahim Ali

Chief Operating Officer

Mr Isa joined the Company in 2009 and has over 20 years of experience in the insurance and reinsurance industry. Throughout his career, Mr Ali has held various roles within the insurance sector, specializing in strategic planning, project management, process management and IT operations.

Mr Ali holds both a Bachelor's degree in Computer Science and Executive Master of Business Administration from University of Bahrain.

Ms Dana Barhoumeh

Chief Actuary

Ms Dana joined Saudi Re in 2023, bringing with her over 16 years of extensive experience in the field of Actuarial Science.
In her previous roles, she held various positions, culminating in her most recent role as Senior Manager and Consulting Actuary, leading the Actuarial Services Division at United for Actuarial Services.
Ms Dana holds a Bachelor of Science degree in Actuarial Mathematics from the University of Michigan. She is also recognized as a Fellow of the Society of Actuaries (FSA) in the USA.

11.6 THE LIST OF COMPANIES LOCATED INSIDE AND OUTSIDE THE KINGDOM IN WHICH ONE OF THE MEMBERS OF THE BOARD OF DIRECTORS HOLDS AN ADMINISTRATIVE POSITION OR HOLDS A MEMBERSHIP IN THEIR CURRENT OR PREVIOUS BOARD OF DIRECTORS: →

Name	Term	Other joint stock companies of which the Directors are Board Members	Type
Mr Abdulatif Al Fozan Chairman of the Board	Period from 11 May 2023 to 10 May 2026	Al Fozan Holding Company	Closed Joint Stock Company
		United International Holding Company	Public Joint Stock Company
		First Real Estate Development Holding Company	Closed Joint Stock Company
		Ajdan Real Estate Development Company	Closed Joint Stock Company
		Asnad Advanced Healthcare Solutions Company	Sole Proprietorship Company
		Athman Healthcare Holding Company	Closed Joint Stock Company
		Saudi Industrial Machinery Company	Limited Liability Company
		Ruya Nutrition Company	Limited Liability Company
		Namaya Investment Company	Limited Liability Company
		United Household Supplies Company	Limited Liability Company
		Rafah Al Khaleej Limited Company	Limited Liability Company
		United Financial Services Company ("Tasheel")	Closed Joint Stock Company
		Tadbeer Environmental Services Company	Limited Liability Company
		Rushd Financial Company	Limited Liability Company
		Nesaj Complex (Retal Residential) Company	Limited Liability Company
		Averos Financial Company	Limited Liability Company
		Probitas Holding (Bermuda) (Formerly)	Closed Joint Stock Company
		National Glass Industries Company (Zoujaj) (Formerly)	Public Joint Stock Company
Mr Turki Al Sudairy Vice Chairman of the Board	Period from 11 May 2023 to 10 May 2026	Lightweight Construction – SIPOREX	Closed Joint Stock
		Alpha Capital Tahaluf Alawaly Fund	Investment Fund
		Alpha Capital Saudi Freestyle Nomu Fund	Investment Fund
		Al Khoyool Al Arabia – Alpha Office Fund	Investment Fund
		Alpha Capital Masar Land Development Fund	Investment Fund
		Alpha Fund for Murabaha (Formerly)	Investment Fund
		Alpha Capital Saudi Real Estate Development Fund 2 (Formerly)	Investment Fund
Mr Fahad Al Hesni Executive Director	Period from 11 May 2023 to 01 April 2024	Probitas Holding (Bermuda) (Formerly)	Closed Joint Stock Company
		Probitas Holding – United Kingdom (Formerly)	Closed Joint Stock Company
		Probitas 1492 Services (Formerly)	Closed Joint Stock Company
Mr Ahmed Sabbagh Non-Executive Director	Period from 11 May 2023 to 24 December 2024	Islamic Insurance Company (Jordan) (Formerly)	Limited Joint Stock Company
		Tunisian Company for Takaful Insurance – Tunisia (Formerly)	Joint Stock Company
		Aman Takaful Insurance Company – Beirut (Formerly)	Closed Joint Stock Company
		Global Union of Takaful and Islamic Insurance Companies – Sudan (Formerly)	Union

Name	Term	Other joint stock companies of which the Directors are Board Members	Type
Eng. Hussam Al-Suwailem Independent Director	Period from 11 May 2023 to 10 May 2026	–	–
Mr Abdulrahman Al-Jalal Independent Director	Period from 11 May 2023 to 10 May 2026	Retal Urban Development Company	Public Joint Stock Company
		Building Construction Company	Limited Liability Company
		Tadbeer Limited Company	Limited Liability Company
		Tadbeer Environmental Services Company	Limited Liability Company
		Nesaj Residential Complex Company	Limited Liability Company
		Creative Experiences Company	Limited Liability Company
		Ritz Carlton Residence Khobar Fund	Private Real Estate Fund Licensed by the Capital Market Authority
		Nabee Al Seha – Saudi Arabia (Formerly)	Closed Joint Stock Company
Mr Waleed Al-Monie Independent Director	Period from 11 May 2023 to 10 May 2026	Middle East Paper Company (MEPCO)	Public Joint Stock Company
Mrs Kubra Ghulam Radhi Independent Director	Period from 11 May 2023 to 10 May 2026	Procco Financial Services (Bahrain)	Limited Liability Company
		United Financial Services Company – Tasheel Financing (Saudi Arabia)	Closed Joint Stock Company
		United International Holding Company (Saudi Arabia)	Listed Joint Stock Company
Dr Mosa bin Akresh Independent Director	Period from 11 May 2023 to 24 December 2024	Abdulaziz Bin Abdullah Bin Akresh Company (Formerly)	Closed Joint Stock Company
		Batic Investment and Logistics Company (Formerly)	Public Joint Stock Company
Eng. Abdulaziz Al-Shiekh Independent Director	Period from 11 May 2023 to 10 May 2026	Al Taif Pharmaceutical Company	Closed Joint Stock Company
		Ayan Investment Company	Closed Joint Stock Company
		Tal Debt-Based Crowdfunding Company	Closed Joint Stock Company
		Johnson & Johnson – United States (Formerly)	Public Joint Stock Company
		Banaja Holding Company (Previous)	Closed Joint Stock Company

Name	Term	Other joint stock companies of which the Directors are Board Members	Type
Mr Abdulaziz Al-Bassam Non-Executive Director	Period from 11 May 2023 to 10 May 2026	ANB Capital	Listed Joint Stock Company
		Al-Awwal Capital	Listed Joint Stock Company
		Al-Jomaih Energy and Water Company	Listed Joint Stock Company
		Al-Lujain Company	Listed Joint Stock Company
		GFH Financial Group	Open Joint Stock Company
		Al-Jomaih & Shell Lubricants Limited Company	Limited Liability Company
		Al-Dara Real Estate Development Company	Limited Liability Company
		Suleiman Al-Rajhi Holding Company	Holding Company
		Khabra Al-A’mal Company	Limited Liability Company
		Ata’a Al-Mohammadiya Company	Limited Liability Company
		Manafa Al-Mohammadiya Company	Closed Joint Stock Company
		Itqan Capital	Closed Joint Stock Company
		The Startup Company UrbanHill – United States (Formerly)	Limited Liability Company
		Oasis Capital – United States (Formerly)	Limited Liability Company
Mr Fahad Al Jomaih Non-Executive Director	Period from 25 December 2024 to 10 May 2026	Yanbu Cement Company	Listed Joint Stock Company
		D360 Bank	Closed Joint Stock Company
		Al-Jomaih Heavy Equipment Company	Limited Liability Company
		Pergola Holding	Joint Stock Company
		International Refreshment Company	Limited Liability Company
Mr Mohmmad Al Sudairy Non-Executive Director	Period from 25 December 2024 to10 May 2026	–	–

11. 7 PROCEDURES TO INFORM BOARD MEMBERS OF SHAREHOLDERS' SUGGESTIONS AND REMARKS →

Saudi Re's expert and professional Investor Relations function collates and analyzes suggestions and comments received from shareholders through communication channels or General Assembly Meetings and submits findings to the Board of Directors.

11.8 RESPONSIBILITIES OF THE BOARD OF DIRECTORS →

The important functions of the Board are as follows:

- Provide strategic leadership for the Company by creating strategic plans, defining objectives, overseeing implementation, conducting periodic reviews, and ensuring the availability of necessary human and financial resources. This includes:
  - Creating, reviewing and directing the Company's comprehensive strategy, key business plans and risk management policies and procedures.
  - Determining the Company's optimal capital structure, its financial strategies and objectives and approving all types of estimated budgets.
  - Overseeing the Company's main capital expenses, asset acquisitions and disposals.
  - Setting performance targets, monitoring execution and overall performance in the Company.
  - Periodically reviewing and approving the Company's organizational and functional structures.
  - Ensuring the availability of the human and financial resources required to achieve the Company's objectives and key plans.
- Approving, reviewing and regularly updating main policies and procedures.
- Creating and monitoring the Company's internal controls and ensuring its sufficiency and effectiveness. This includes:
  - Creating a written policy to manage actual and potential conflicts of interest for each of the Directors, Executive Management and Shareholders. This includes misuse of the Company's assets and facilities, misconduct resulting from related party transactions.
  - Ensuring the soundness of financial and accounting systems, including laws related to financial reporting.
  - Ensuring the implementation of suitable monitoring system to measure and manage risk be creating an overall visualization of risks that may face the Company, creating a risk management awareness environment at Company level and presenting it transparently to stakeholders and related parties of the Company.
  - Annually reviewing the effectiveness of the Company's internal controls.
- Creating the values and standards that govern business in the Company.
- Creating and monitoring a risk management system in the Company to assess, and continuously manage risks.
- Selecting and appointing executives in key positions (when needed) and ensuring that the Company has a suitable policy to provide a suitable substitute that enables to continue work with the required skills.
- Overseeing Executive Management and monitoring the Company's performance against the performance targets set by the Board.
- Overseeing management of the Company's finance, its cash flows and its financial and credit relationships with others.
- Ensuring the protection of shareholder interests at all times.

- Creating effective communication channels to keep shareholders continuously and periodically informed of the Company's various activities and any material developments.
- Submitting suggestions to Extraordinary General Assembly regarding the following:
  - Increasing or decreasing the Company capital.
  - Dissolving the Company prior to the term stipulated in its memorandum of association or deciding its continuity.
- Submitting suggestions to the Ordinary General Assembly regarding the following:
  - Using the Company's reserves if they are not allocated to a specific use within the Company's memorandum of association.
  - Creating additional reserves or provisions for the Company.
  - Company profit distribution method.
- Notifying the Ordinary General Assembly, upon convening, of businesses and contracts in which a Director has a direct or indirect interest, provided this notification includes the information submitted by that Director to the Board. The notification must also include a special report from the Company's External Auditor.
- Ensuring the soundness and effectiveness of the reporting and financial statement submission system and the disclosure mechanism.
- Ensuring the accuracy and integrity of the data and information that must be disclosed accordingto applied disclosure and transparency policies.
- Enhancing the Company's governance level and standards and ensuring compliance with relevant laws and regulations at all times.
- Forming specialized Board committees pursuant to decisions specifying the committees terms, powers, and responsibilities and how it will be overseen by the Board. The formation decision shall include the names of the committee members, their duties, rights and tasks and how the performance and work of these committees and their members will be evaluated.
- The Board must grant the Audit Committee sufficient powers to verify any matters within its mandate, ensure the independence of the internal auditing function and its ability to access all information required for it to perform its duties. The Board must also respond to Auditors' Reports and ensure that Executive Management is aware of the internal Auditors' recommendations.
- Creating clear written policies and procedures to regulate the activities of the Board.
- Preparing clear and specific policies, standards and procedures for Board membership in line with the mandatory provisions of this Policy and implementing the same upon ratification by the General Assembly.
- Creating a written policy to regulate relationships with stakeholders.
- Creating policies and procedures that ensure the Company's compliance with laws and regulations and with disclosure of material information to shareholders and stakeholders and ensure compliance with the same by Executive Management.
- Prepare the Company's preliminary and annual financial statements and approve them prior to publication.
- Prepare the Board Report and approve it prior to publication.
- Determine the types of bonuses granted to Company employees such as fixed bonuses, performance related bonuses and bonuses in the form of shares, provided this is aligned with the executive regulations of the Companies Law related to listed joint stock companies

BOARD MEETINGS

Name	Position	1st meeting 15 January 2024	2nd meeting 3 March 2024	3rd meeting 3 April 2024	4th meeting 26 May 2024	5th meeting 5 June 2024	6th meeting 14 August 2024	7th meeting 17 November 2024	8th meeting 16 December 2024	Total meetings
Mr Abdullatif Al-Fozan	Chairman of the Bord	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Turki Al-Sudairy	Vice Chairman	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Fahad Al-Hesni*	Managing Director	✓	✓							2
Mr Ahmad Sabbagh**	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Walid Al-Monie	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mrs Kubra Ghulam Radhi	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Dr Mousa Bin Akresh**	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Abdulrahman Al-Jalal	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Eng Abdulaziz Al-Sheikh	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Abdulaziz Al-Bassam	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Eng Hussam Al-Suwailem	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Fahad Al Jomaih***	Member									0
Mr Mohmmad Al Sudairy***	Member									0

** His membership in the Board of Directors, its committee's and as CEO ended by his resignation on 1 April 2024.*
*** His membership in the Board of Directors and its committee's has ended by his resignation on 24 December 2024.*
**** Appointed as a member of the Board of Directors on 25 December 2024.*

11.9 POWERS AND RESPONSIBILITIES OF BOARD COMMITTEES →

Executive Committee

The duties and responsibilities of the Executive Committee are as follows:

- Exercise the authorities and privileges of the Board when the Board is not in session and where a quick decision or action is required and justified, unless the Committee is authorized to issue a decision instead of the Board regarding any issues for which delegation of authority is not permitted under applicable laws, or where the approval of the Company shareholders is required or another Board committee is specifically tasked with that matter.
- Review the details of the Company's business strategy and present recommendations to the Board for its approval.
- Review the details of the Company's business plan and budget, monitor business plan and budget progress regularly and oversee the activities of the Company CEO.
- Support the CEO in managing specific requirements or tasks on a need basis.
- Review coalitions, mergers and acquisitions and other strategic agreements and provide recommendations regarding the same to the Board for approval.
- Take any other action or assume any other authorities and responsibilities the Committee may be assigned or authorized to do from time to time by the Board.
- The Executive Committee reports to the Board.

EXECUTIVE COMMITTEE MEETINGS

Name	Position	1st meeting 10 January 2024	2nd meeting 14 March 2024	3rd meeting 7 May 2024	4th meeting 5 August 2024	5th meeting 21 October 2024	6th meeting 5 December 2024	Total meetings
Mr Abdulatif Al-Fozan	Chairman	✓	✓	✓	✓	✓	✗	5
Mr Turki Al-Sudairy	Member	✓	✓	✓	✓	✓	✓	6
Mr Walid Al-Monie	Member	✓	✓	✓	✓	✓	✓	6
Mr Abdulrahman Al-Jalal	Member	✓	✓	✓	✓	✓	✓	6
Mr Jean-Luc Gourgeon	External Member	✓	✓	✓	✓	✓	✓	6

Audit Committee

The Board of Directors implement the rules for the selection of Audit Committee members, the membership term and the committee's working procedures are determined.

The duties and responsibilities of the Audit Committee should include the following:

- Oversee the Internal Audit Department in the Company to ensure the effective execution of its activities and duties set by the Board.
- Review internal auditing procedures and prepare written reports regarding this review including presenting recommendations to the Board in that regard.
- Review the audit plan presented by the internal and external auditors and provide feedback on the same.
- Assess the efficiency, effectiveness and objectivity of external auditors, Internal Audit Department or the internal auditors and Regulatory Monitoring Department or regulatory monitor.
- Coordinate between internal and external auditors.
- Review the assessment of internal and external auditors of internal control procedures.
- Review transactions and operations with related parties.
- Review, approve and monitor implementation of the compliance plan.
- Oversee the activities of external auditors and approve any activity outside the scope of the auditing tasks assigned to them while performing their duties.
- Review the external auditor's recommendations concerning financial statements and follow-up procedures completed in that regard.
- Verify the independence of external auditors from the Company, its Directors and Executive Management.
- Discuss interim annual and quarterly financial statements with external auditors and the Company's Executive Management prior to their issuance.
- Review preliminary and annual financial statement prior to presentation to the Board and provide recommendations in that regard.
- Review accounting policies adopted at present and advise the Board including providing recommendations in that regard.
- Review financial and non-financial internal controls and the risk management system.
- Appoint and dismiss the head of Internal Auditing or Internal Auditor, head of Compliance or Compliance Officer after receiving the non-objection of the Insurance Authority and assess performance and remunerations for all concerned employees.
- Verify the independence of the Internal Audit Department or Internal Auditor, the Regulatory Monitoring Department or Compliance Officer and ensure there are no limitations to their work or anything that may adversely impact their work.
- Assess the efficiency, effectiveness and objectivity of external auditors, Internal Audit Department or the internal auditor and the Compliance Department or Compliance Officer.

- Review the Regulatory Monitoring Department or Compliance Officer reports, internal and external auditing reports, follow up implementation of corrective measures recommended and provide recommendations to the Board in that regard.
- Review feedback from the Insurance Authority and relevant oversight and supervisory entities regarding any regulatory violations or required corrective measures and make recommendations to the Board in that regard.
- Follow up compliance with the Insurance Authority report and all reports issued by the concerned entities and make recommendations to the Board in that regard.
- Monitor the activities of the Compliance Department and ensure the Company's compliance with and adherence to the laws and regulations of the Insurance Authority, Capital Market Authority and other laws and regulations.
- Review the actuarial expert reports and make recommendations to the Board in that regard.
- Ensure the Company's compliance with the actuarial expert's proposals and recommendations when they are mandatory and required pursuant to the Insurance Authority's regulations or instructions.
- Determine the monthly salary and incentives of the Internal Audit Department, Regulatory Monitoring Department, Internal Auditor or Compliance Officer according to the Company's internal policies approved by the Board.
- Ensure there are ethical conduct rules approved by the Board to ensure that the Company's activities are conducted in a fair and ethical manner.
- Follow up important cases raised by or against the Company and present periodic reports in that regard to the Board.
- Ensure optimal use and control of IT required to issue reliable and timely information and data.
- The Committee has the authority to investigate any activities within its mandate and obtain any information it may require.
- The Auditing Committee's report includes details of the Committee's performance of its duties and functions as stated in the Companies Law and its implementing regulations, provided it includes its recommendations and opinion as the sufficiency of the Company's internal and financial controls and risk management. The Board shall maintain sufficient copies of this report at the Company's head office. It must also be published on the Company's website and Market website upon publishing the invitation to convene the General Assembly to allow shareholders that wish to obtain a copy of the report to receive such a copy. In addition, a summary of this report will be recited during the General Assembly.
- The Audit Committee shall create a mechanism that allows Company employees to report any misconduct in financial reporting or otherwise confidentially and ensure its implementation.
- The Audit Committee is entitled to access the Company's records and documents. It may request any clarification or details from the Directors or Executive Management. It may also request the Board to convene the Company's General Assembly if the Board hinders its work or if the Company suffers significant damage or risk.

AUDIT COMMITTEE MEETINGS

Name	Position	1st meeting 6 February 2024	2nd meeting 19 March 2024	3rd meeting 7 May 2024	4th meeting 27 May 2024	5th meeting 27 July 2024	6th meeting 27 October 2024	7th meeting 5 November 2024	8th meeting 18 December 2024	Total meetings
Mr Abdullah Al Farraj	External Chairman	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Tariq Zaino	External Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Yanal Soudi	External Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mrs Kubra Ghulam Radhi	Member	✓	✓	✓	✓	✓	✓	✓	✓	8

Investment Committee

The duties and responsibilities of the Committee are as follows:

- Ensure that the Company's investment policy is prepared according to the Company's overall business strategy and regulatory limitations.
- Obtain the Board's approval on the investment policy.
- Review and draft the investment policy quarterly, taking into consideration changes in business requirements and Market conditions.
- Appoint and assess the performance of investment managers and funds.
- Recommend the appointment and dismissal of the investment advisor to the Board.
- Authorize a selected subcommittee or the management team to implement the decisions of the Investment Committee when needed.
- Issue strategy implementation decisions for each segment of the investment portfolios, whether exposure in each segment will be implemented through negative or positive management, whether it will be managed internally or through external managers or through separate authorizations or investment funds.
- The Executive Committee reports to the Board.
- Review decisions made by the management team and investment advisor(s).
- Submit reports to the Board regarding the Company's investment performance in terms of risks, returns on investments, provisions and any key relevant developments.
- Take any other action or assume any other authorities and responsibilities the Committee may be assigned or authorized to do from time to time by the Board.

INVESTMENT COMMITTEE MEETINGS

Name	Position	1st meeting 5 March 2024	2nd meeting 2 May 2024	3rd meeting 6 August 2024	4th meeting 22 October 2024	5th meeting 5 December 2024	Total meetings
Mr Abdulaziz Al-Bassam	Chairman	✓	✓	✗	✓	✓	4
Eng Abdulaziz Al-Sheikh	Member	✓	✓	✓	✓	✓	5
Eng Hussam Al-Suwailem	Member	✓	✓	✓	✓	✓	5
Mr Abdullatif Al-Fozan	Member	✓	✓	✓	✓	✓	5
Dr Mousa Bin Akresh*	Member	✓	✗	✓	✓	✓	4

** His membership in the Board of Directors and its committee's has ended by his resignation on 24 December 2024.).*

Risk Committee

The duties and responsibilities of the Risk Committee are as follows:

- Reassess the Company's risk tolerance policy, parameters and risk exposure regularly.
- Reassess the Company's risk management policy. in line with the Company's responsibilities towards shareholders and compared to regulatory and supervisory requirements.
- Oversee the implementation of the necessary measures to mitigate identified risk.
- Understand and review risks associated with the Company's activities and business and maintain the acceptable risk threshold of the Company.
- Oversee the risk management system, assess its effectiveness and ensure the availability of suitable infrastructure and resources.
- Assess the effectiveness of the risk management unit.
- Assess and analyze risk as per stress testing scenarios (such as reduced rating, capital, regulatory and supervisory violations/penalties and the like).
- The Risk Management Committee reports to the Board.
- Review and assess the business continuity plan.
- Review and obtain the Board's approval on the following cybersecurity governance documents:
  - Authorization of the Cybersecurity Committee.
  - Cybersecurity Governance Framework.
  - Cybersecurity Strategy.
  - Cybersecurity Policy.
- Ensure that the Company's cybersecurity risks are managed properly.
- Periodic review of the impact of natural disasters on insurance portfolios.
- Periodic review of maximum limits of insurance parameters.
- Periodic review of the sufficiency of the Company's capital and solvency.
- Periodic review of asset and liability management operations.
- Review periodic reports issued by the Risk Management Unit, such as quarterly risk management reports.
- Take any other decisions and/or assume any other authorities and responsibilities that may be assigned or delegated to the Committee from time to time by the Board. The Committee has the authority to obtain advice and assistance from legal advisors, actuaries, accountants or internal or external consultants and approve fees and other conditions pertaining to any external advisor(s)
- The Committee shall have the authority to obtain advice and assistance from internal or external legal, actuarial, accounting or other advisors and to approve the fees and other retention terms related to any such external counsel, consultants, and advisors.

RISK COMMITTEE MEETINGS

Name	Position	1st meeting 14 January 2024	2nd meeting 10 March 2024	3rd meeting 6 May 2024	4th meeting 18 July 2024	5th meeting 11 August 2024	6th meeting 30 October 2024	7th meeting 3 December 2024	Total meetings
Mrs Kubra Ghulam Radhi	Chairman	✓	✓	✓	✓	✓	✓	✓	7
Mr Ahmad Sabbagh*	Member	✓	✓	✓	✓	✓	✓	✓	7
Dr Peter Hugger	External Member	✓	✓	✓	✓	✓	✓	✓	7

** His membership in the Board of Directors and its committee's has ended by his resignation on 24 December 2024.*

Technical Committee

The duties and responsibilities of the Technical Committee should include the following:

- Review insurance underwriting policies and related key controls and guidelines.
- Review pricing approaches and tools used to price/assess risk.
- Review underwriting performance periodically.
- Review claim activities periodically.
- Review business plan assumptions annually and recommend the preparation of insurance business plans to be submitted to the Board.
- Recommend new types of insurance to be approved by the Board.
- Review and recommend areas where the Company should/should not underwrite from to be approved by the Board.
- Determine the reinsurance outsourcing structure (repeated reinsurance) at the Company and submit recommendations to the Board regarding the cost of outsourcing for approval. Emphasize that classifications of companies participating in reinsurance outsourcing are within the limits of regulatory and supervisory requirements and that any changes to the same are assessed properly and that necessary procedures are taken.
- Reassess the Company's reinsurance structure regularly.
- Take any other actions or assume any other authorities and responsibilities that may be assigned or delegated from time to time by the Board.
- The Committee has the authority to obtain advice and assistance from legal advisors, accountants and other internal or external consultants and approve fees and other retention terms pertaining to any external advisor(s).

TECHNICAL COMMITTEE MEETINGS

Name	Position	1st meeting 12 March 2024	2nd meeting 7 May 2024	3rd meeting 18 June 2024	4th meeting 7 August 2024	5th meeting 14 October 2024	6th meeting 23 & 29 October 2024		7th meeting 26 November 2024	Total meetings
Mr Jean-Luc Gourgeon	External Chairman	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Turki Al-Sudairy	Member	✓	✓	✗	✓	✓	✓	✓	✓	7
Mr Bader Al Shaya*	External Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Mo'men Mukhtar**	External Member				✓	✗	✓	✓	✓	4

** Membership in the Committee began on 17 January 2024*
*** Membership in the Committee began on 8 July 2024*

Nomination and Remuneration Committee

The duties and responsibilities of the Nomination and Remuneration Committee should include the following:

- Recommend nominees to the Board and its committees according to regulatory requirements and approved policies and standards. The Committee must take into consideration not to nominate a person previously convicted of a breach of trust to the Committee.
- Prepare a description for the capabilities and qualifications required for Board and Board committee memberships, including the time a member should allocate to Board and Board committee business.
- Create procedures to be implemented in the event of a position on the Board or senior executive becoming vacant.
- Review required skills suitable for Board membership at least annually and provide recommended solutions in line with the Company's best interests.
- Create succession policies and procedures for the Board and its committee.
- Review the structure and composition of the Board and its committees and determine its weaknesses periodically, propose the necessary steps to manage them and create job descriptions for Executive, Non-Executive and Independent Directors and Senior Executives.
- Assess and monitor the independence of Directors and Board committee members at least annually and ensure there is no conflict of interest in events where a member sits on the Board of another company.
- Create clear priorities for Board compensations and remuneration (as approved by the General Assembly), its committees, the CEO and members of Executive Management based on their performance in order to achieve the Company's strategic objectives and adjusted business profits.
- Ensure that an annual review is performed for Executive Management staff remunerations independently from Executive Management.
- Provide final recommendations to the Board regarding the appointment and dismissal of members of Executive Management and/or promoting current employees to Executive Management functions as per the rules of the Insurance Authority related to suitability of individuals.
- Provide final recommendations to the Board with regard to dismissal of members of Executive Management.
- Create succession policies and procedures for the CEO and Senior Executive Management staff and monitor the implementation of these succession plans and procedures.
- Assess Director performance (Overall Board performance and the individual performance of Directors (and its committees periodically) at least annually).
- Oversee the orientation and periodic training programme for Directors.
- Take any other action or assume any other authorities and responsibilities the Committee may be assigned or authorized to do from time to time by the Board.

NRC COMMITTEE MEETINGS

Name	Position	1st meeting 16 January 2024	2nd meeting 27 February 2024	3rd meeting 1 March 2024	4th meeting 2 May 2024	5th meeting 7 August 2024	6th meeting 3 September 2024	7th meeting 20 October 2024	8th meeting 27 November 2024	Total meetings
Mr Abdulrahman Al-Jalal	Chairman	✓	✓	✓	✓	✓	✓	✓	✗	7
Mr Walid Al-Monie	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Mr Ahmad Sabbagh*	Member	✓	✓	✓	✓	✓	✓	✓	✓	8
Eng Abdulaziz Al-Sheikh	Member	✓	✓	✓	✓	✓	✓	✓	✓	8

** His membership in the Board of Directors and its committee's has ended by his resignation on 24 December 2024.*

11.10 ATTENDANCE RECORD OF GENERAL ASSEMBLY MEETINGS DURING 2024 →

Name	Attendance Record	
	Ordinary General Assembly Meeting 04/11/1445 – 12/05/2024	Extraordinary General Assembly Meeting 23/06/1446 – 24/12/2024
Mr Abdullatif Al-Fozan	✓	✓
Mr Turki Al-Sudairy	✓	✓
Mr Ahmad Sabbagh	✓	✓
Eng Hussam Al-Swailim	✓	✓
Dr Mousa Bin Akresh	✓	✓
Mrs Kubra Ghulam Radhi	✓	✓
Eng Abdulaziz Al-Sheikh	✗	✓
Mr Abdulrahman Al-Jalal	✗	✓
Mr Walid Al-Monie	✗	✓
Mr Abdulaziz Al-Bassam	✗	✓

11.11 PERFORMANCE OF THE BOARD AND ITS COMMITTEES →

Board effectiveness evaluation

The Board and committees undergo regular performance assessments using tools and forms approved by the Nomination and Remuneration Committee. These assessments are conducted by a third-party organization to ensure objectivity and impartiality. In addition to this, the Board made several decisions to adopt changes in its policies and procedures, alongside introducing new programmes and systems aimed at further strengthening its governance framework.

Results of the annual review of the effectiveness of the Company's internal control procedures, in addition to the Audit Committee's opinion on the adequacy of the Company's internal control system.

The Audit Committee believes that the internal control, financial, and risk management systems in the company are effective and that it has no reason to believe that these systems have not been properly developed and implemented.

The Audit Committee also confirms that there is no conflict between the decisions of the Committee and those of the Board of Directors.

Remuneration of Board Members, Members of Committees and Executive Management

The General Assembly has approved on 21 July 2021 an amended remuneration policy for the Board and members of committees and Executive Management. According to the policy, each member is entitled to ⃁ 5,000 for each attended meeting of the Board and any Board committee meeting. The Company's Board Directors are entitled to a minimum amount of ⃁ 200,000 as an annual remuneration against Board directorship and contribution to Board business. The Chairman of the Board is entitled to a minimum amount of ⃁ 300,000 per year. Each non-Board Member is entitled to an amount of ⃁ 5,000 as an attendance fee per meeting per committee and is entitled to a lump sum of ⃁ 100,000 per year as a remuneration for contribution to the committee functions. The Chairman of the Audit Committee is also entitled to an amount of ⃁ 120,000. The remunerations of the members of the Board of Directors and its committees are presented to the Company's General Assembly for approval.

⃁ '000	BOD Members (Executives)	BOD Members (Non-Executive and Independent)	Five Top Executives including CEO and CFO
Salaries and benefits	–	–	9,761
Annual compensation	50	3,010	5,309
Meeting fees and expenses	10	1,516	–
Consultancy fees	–	–	–
Benefits in kind granted monthly or yearly	–	–	–
Total	**60**	**4,526**	**15,070**

BOD Member Name	Position	BOD meetings fees ⃁	Exec Com meetings fees ⃁	Invst Com meetings fees ⃁	Tech Com meetings fees ⃁
Mr Abdullatif Al-Fozan	Chairman of the Board	40,000	25,000	25,000	–
Mr Turki Al-Sudairy	Vice Chairman	40,000	30,000	–	35,000
Mr Fahad Al-Hesni*	MD	10,000		–	–
Mr Walid Al-Monie	Member	40,000	30,000	–	–
Mrs Kubra Ghulam Radhi	Member	40,000	–	–	–
Dr Mousa Bin Akresh**	Member	40,000	–	20,000	–
Mr Ahmad Sabbagh**	Member	40,000	–	–	–
Mr Abdulrahman Al-Jalal	Member	40,000	30,000	–	–
Eng Abdulaziz Al-Sheikh	Member	40,000	–	25,000	–
Mr Abdulaziz Al-Bassam	Member	40,000	–	20,000	–
Eng Hussam Al- Suwailem	Member	40,000	–	25,000	–
Mr Fahad Al Jomaih***	Member	–	–	–	–
Mr Mohmmad Al Sudairy***	Member	–	–	–	–
Total		**410,000**	**115,000**	**115,000**	**35,000**

** His membership in the Board of Directors, its committee's and as CEO ended by his resignation on 1 April 2024.*
*** His membership in the Board of Directors and its committee's ended by his resignation on 24 December 2024.*
**** Appointed as a member of the Board of Directors on 25 December 2024.*

BOD Member Name	Position	Exec Com meetings fees ⃁	Invst Com meetings fees ⃁	Tech Com meetings fees ⃁	Audit COM meetings fees ⃁
Mr Abdullah Al Farraj	Ext. Chairman Audit Com	–	–	–	40,000
Mr Tarik Zaino	Ext. Member Audit Com	–	–	–	40,000
Mr Yanal Soudi	Ext. Member Audit Com	–	–	–	40,000
Mr Jean-Luc Gourgeon	Ext. Chairman Tech Com	–	–	40,000	–
Mr Jean-Luc Gourgeon	Ext Member Exec Com	30,000	–	–	–
Dr Peter Hugger	Ext. Member RM Com	–	–	–	–
Mr Bader Al Shaya*	Ext. Member Tech Com	–	–	40,000	–
Mr Mo'men Mukhtar**	Ext. Member Tech Com	–	–	20,000	–
Total		**30,000**	**–**	**100,000**	**120,000**

** Membership in the committee began on 18 January 2024.*
*** Membership in the committee began on 8 July 2024.*

Audit Com meetings fees ⃁	RM Com meetings fees ⃁	NRC Com meetings fees ⃁	Total meetings fees ⃁	BOD Remuneration (As per approved policy) ⃁	BOD remuneration 2024 ⃁	2023 Remaining remuneration ⃁	Total amount to be paid ⃁
–	–	–	90,000	300,000	300,000	35,340	425,340
–	–	–	105,000	200,000	200,000	35,340	340,340
–	–	–	10,000	200,000	49,863	–	59,863
–	–	40,000	110,000	200,000	200,000	–	310,000
40,000	35,000	–	115,000	200,000	200,000	–	315,000
–	–	–	60,000	200,000	196,712	–	256,712
–	35,000	40,000	115,000	200,000	196,712	–	311,712
–	–	35,000	105,000	200,000	200,000	–	305,000
–	–	40,000	105,000	200,000	200,000	–	305,000
–	–	–	60,000	200,000	200,000	–	260,000
–	–	–	65,000	200,000	200,000	–	265,000
–	–	–	–	200,000	3,836	–	3,836
–	–	–	–	200,000	3,836	–	3,836
40,000	**70,000**	**155,000**	**940,000**	**2,700,000**	**2,150,959**	**70,680**	**3,161,639**

RM Com meetings fees ⃁	NRC Com meetings fees ⃁	Total meetings fees ⃁	BOD Remuneration (As per approved policy) ⃁	BOD remuneration 2024 ⃁	2023 Remaining remuneration ⃁	Total amount to be paid ⃁
–	–	40,000	120,000	120,000	–	160,000
–	–	40,000	100,000	100,000	–	140,000
–	–	40,000	100,000	100,000	–	140,000
–	–	40,000	120,000	120,000	–	160,000
–	–	30,000	100,000	100,000	–	130,000
35,000	–	35,000	100,000	100,000	–	135,000
–	–	40,000	100,000	95,890	–	135,890
–	–	20,000	100,000	48,493	–	68,493
35,000	**–**	**285,000**	**840,000**	**784,393**	**–**	**1,069,383**

11.12 SANCTIONS, PENALTIES, PRECAUTIONARY RESTRICTIONS IMPOSED BY REGULATORY AUTHORITIES →

Sanction/Penalty/Precautionary procedure/Preventive measure	Reasons for violation	Imposing authority	Measures undertaken to remedy and avoid such non-compliance in the future
Violation of Insurance Authority`s supervisory and control instructions	Failure to request prior written no-objection approval from the Authority within the regulatory prescribed period before publishing the 2023 annual financial statements.	Insurance Authority	The Company has implemented a corrective plan in coordination with the relevant departments and external auditors, setting earlier dates than the usual quarterly closing schedule to enhance the assurance of timely report submission.

Subject of the penalty	2024		2023	
	Number of resolutions	Sum total for the penalty in ⃁	Number of resolutions	Sum total for the penalty in ⃁
Violation of Insurance Authority supervisory and control instructions	1	100,000	1	40,000
Violation of Insurance Authority customer protection instructions	0	0	0	0
Violation of Insurance Authority instructions on AML and CTF	0	0	0	0

11.13 BOARD RESOLUTIONS →

- Approval of the Annual Financial Statement ending 31 December 2023, and Quarterly Financial Statements ending 31 March, 2024, 30 June 2024 and 30 September 2024 including technical reserves.
- Approval of the Appointment of the Company's External Auditors:

  Based on the recommendation of the Audit Committee, the appointment of the Company's external auditors from among the nominated candidates have been approved to review and audit the financial statements for the following periods:

  – The financial statements for the second and third quarters, and the annual financial statements for the fiscal year ending on 31 December 2025, in addition to the financial statements for the first quarter of the fiscal year 2026.

  The appointed auditors and their respective fees are as follows:

  – Dr Mohammed Al-Amri & Co. – BDO, with fees amounting to ⃁ 895,000.
  – Deloitte & Touche, with fees amounting to ⃁ 1,900,000.

  The appointment of the Company's external auditors has been approved to review and audit the financial statements for the following periods:

  – The financial statements for the second and third quarters, and the annual financial statements for the fiscal year 2024, in addition to the financial statements for the first quarter of the fiscal year 2025.

  The appointed auditors and their respective fees are as follows:

  – Dr Mohammed Al-Amri & Co. – BDO, with fees amounting to ⃁ 865,000.
  – KPMG Professional Services, with fees amounting to ⃁ 2,535,000.
- Approval of selling the Company's share in probitas Holding, Bermuda Ltd.
- Approval the refreshed Strategy for 2024-2028 Scenario.
- Approval of Appointment of Appointed Actuary assignment.
- Approval of Appointment of Labuan External Auditor.
- Approval of Share Subscription Agreement ("SSA") with PIF.
- Approval of Resignation of MD/CEO.
- Approval of Appointment of CEO.
- Approval of Retrocession Appropriateness Report submitted by the Appointed Actuary.
- Approval of Surplus Distribution Policy.
- Approval of Board Charter.
- Approval of updated Subcommittees Charters.
- Approval of updated Delegation of Authority Matrix.
- Approval of long-term Incentive Plan.
- Approval of Resignation of Dr Mousa Bin Akresh and Mr Ahmed Sabbagh from the Board and its Committees.
- Approval of Appointment of Mr Mohammad Al Sudairy & Mr Fahad Al Jomaih as Board Members
- Approval of Quota Share with Probitas Holding, Bermuda Ltd.
- Approval of Directors Report 2023.
- Approval of Competition Standers.
- Approval of updated Corporate Governance Policy.
- Recommendation of Capital Increase with suspension of preemptive rights.

11.14 DETAILS OF AFFILIATE COMPANY →

Affiliate Name	Capital	Company's ownership percentage	Main scope of business	Country of operation	Country of incorporation
Probitas Holding Ltd.	4.508.982 USD	49.9	Insurance	United Kingdom	Bermuda

During the year 2024, Saudi Re completed the sale of its entire 49.9% stake in Probitas Holding Ltd., a company operating in the insurance sector with operations in the United Kingdom and incorporated in Bermuda. The announcement of the sale was made on 9 July 2024. This strategic decision aligns with Saudi Re's ongoing efforts to optimize its investment portfolio and focus on core markets and long-term strategic priorities.

Interest in a class of voting shares held by persons (other than the Company's Directors, Senior Executives and their relatives) who have notified the Company of their holdings pursuant to Article (45) of the Listing Rules, along with any change to such rights during the last fiscal year

Name of the person of interest	Number of shares at the beginning of the year	Number of shares at the end of the year	Net change	Change ratio
Ahmad Hamad Algosabi & Bros. Company	5%	0%	(5%)	(100%)

Details of any interest, contractual securities or rights issue of the Senior Executives and their relatives on the shares or debt instruments of the Company or its affiliates, and any change on such interest or rights during the last fiscal year

	Names of the persons of interest	Beginning of the year			End of the year			Net change	Change ratio
		Number of shares	Percentage of ownership	Debt instruments	Number of shares	Percentage of ownership	Debt instruments		
1.	Mr Abdullatif Al-Fozan (Chairman)	579,100	0.65%	–	579,100	0.65%	–	–	–
2.	Mr Turki Al-Sudairy (Vice Chairman)	233,635	0.26%	–	233,635	0.26%	–	–	–
3.	Mr Fahad Al-Hesni*	55,000	0.062%	–	–	–	–	–	–
4.	Mr Ahmed Sabbagh**	356,300	0.400%	–	–	–	–	–	–
5.	Eng Hussam Al-Suwailem	–	–	–	–	–	–	–	–
6.	Mr Abdulrahman Al-Jalal	69,000	0.08%	–	69,000	0.08%	–	–	–
7.	Mrs Kubra Ghulam Radhi	–	–	–	–	–	–	–	–
8.	Eng Abdulaziz Al-Shiekh	0	0%	–	246,580	0.28%	–	246,580	100%
9.	Dr Mosa bin Akresh**	112,528	0.13%	–	–	–	–	–	–
10.	Mr Waleed Al-Monie	–	–	–	–	–	–	–	–
11.	Mr Abdulaziz Al-Bassam	–	–	–	–	–	–	–	–
12.	Mr Fahad Al Jomaih***	–	–	–	–	–	–	–	–
13.	Mr Mohmmad Al Sudairy***	–	–	–	–	–	–	–	–

** His membership in the Board of Directors and as CEO ended by his resignation on 1 April 2024.*
*** His membership in the Board of Directors and as CEO ended by his resignation on 24 December 2024.*
**** Appointed as a member of the Board of Directors on 25 December 2024.*

	Names of the persons of interest	Beginning of the year			End of the year			Net change	Change ratio
		Number of shares	Percentage of ownership	Debt instruments	Number of shares	Percentage of ownership	Debt instruments		
1.	Mr Ali Al-Fozan	970,340	1.09%	–	436,000	0.49%	–	(534,340)	(55.1%)
2.	Mr Fahad Al-Suwailem	8,132	0.009%	–	8,132	0.009%	–	–	–
3.	Mrs Sara Al-Rabia	156,990	0.18%	–	16,000	0.018%	–	(140,990)	(89.8%)
4.	Mr Fawaz Al-Sudairy	150,830	0.17%	–	150,830	0.17%	–	–	–
5.	Mr Salman Al-Sudairy	52,579	0.06%	–	52,579	0.60%	–	–	–
6.	Mrs Halah Al-Isa	118,953	0.133%	–	8,196	0.009%	–	(110,757)	(93.1%)
7.	Ms Sara Bin Akresh	6,220	0.006%	–	0	0%	–	(6,220)	(100%)
8.	Mr Omar Al Jalal	60,000	0.0673%	–	0	0%	–	(60,000)	(100%)

Details of any interest, contractual securities or rights issue of the Senior Executives and their relatives on the shares or debt instruments of the Company or its affiliates, and any change on such interest or rights during the last fiscal year

	Names of the persons of interest	Beginning of the year			End of the year			Net change	Change ratio %
		Number of shares	Percentage of ownership	Debt instruments	Number of shares	Percentage of ownership	Debt instruments		
1.	Mr Fahad Al-Hesni*	55,000	0.062%	–	–	–	–	–	–
2.	Mr Ahmed Al-Jabr	–	–	–	–	–	–	–	–
3.	Mr Waleed Bin Ateeq	–	–	–	–	–	–	–	–
4.	Mr Isa Ibrahim Ali	–	–	–	–	–	–	–	–
5.	Mr Fadi Al-Qutub	–	–	–	–	–	–	–	–
6.	Mr Ahmed Al-Qarishi	–	–	–	–	–	–	–	–
7.	Ms Dana Barhoumeh	–	–	–	–	–	–	–	–

** His membership in the Board of Directors and as CEO ended by his resignation on 1 April 2024.*

11.15 INFORMATION ON ANY LOANS, AND AMOUNTS PAID BY THE COMPANY IN REPAYMENT OF LOANS DURING THE YEAR →

	Creditor's Name	Amount of principal debt	Loan term	Amounts paid by the Company in repayments of loans during the year	Remaining amount	Total indebtedness of company and its affiliates
1.	Arqaam capital	56,797,019	Open ended with annual renewal	1,802,325.71	56,797,019	56,797,019

11.16 THE COMPANY'S REQUESTS OF SHAREHOLDERS REGISTRY, DATES, AND REASONS THEREOF

Number of the Company's requests of shareholders registry	Request date	Request reasons
1.	03/12/2023	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
2.	29/02/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
3.	31/03/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
4.	01/05/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
5.	01/05/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right and to prepare for the General Assembly Meeting convened on 12 May2024
6.	02/06/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
7.	02/07/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
8.	29/07/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
9.	25/08/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
10.	01/10/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
11.	27/10/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
12.	01/12/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right
13.	18/12/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right and to prepare for the General Assembly Meeting convened on 24 December 2024
14.	24/12/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right and to prepare for the General Assembly Meeting convened on 12 December 2024
15.	31/12/2024	To comply with Article number 38 of the Implementing Regulations of the Cooperative Insurance Companies Control Law and to calculate the differences in the shareholder right

11.17 TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES →

Reinsurance contracts with Probitas Corporate Capital, a company owned by *Probitas Holdings (Bermuda),* in which both the Chairman, Mr Abdullatif Ali Al-Fozan, and the former Managing Director and CEO, Mr Fahad Abdulrahman Al-Hesni, have an indirect interest due to their membership on the Board of Directors of *Probitas Holdings (Bermuda),* the parent company of *Probitas Corporate Capital*. The former CFO, Mr Nelmin Perez, also has an indirect interest due to his membership on the Board of Directors of *Probitas Corporate Capital*. The total value of the gross written premiums is estimated at ⃁ 135.03 million, with a term of one calendar year. It is worth noting that "Saudi Re" has sold its entire stake in *Probitas Holdings (Bermuda)* during 2024, thereby ending its relationship as a shareholder in the Company.

Investment advisory contract signed with SAB Invest, in which Board Member Mr Abdulaziz Al-Bassam has a direct interest due to his membership on the Board of Directors of *SAB Invest*. The value of the contract is ⃁ 517,500

Investment agreement in Alpha Murabaha Fund, in which the Chairman, Mr Abdullatif Al-Fozan, has a direct interest due to his membership on the Board of Directors of *Alpha Capital*. The Murabaha fund management fees amount to ⃁ 180,332.78.

During 2024 there have not been:

- Any arrangement or agreement under which a Director or a Senior Executive of the Company has waived any remuneration.
- Any arrangement or agreement under which a shareholder of the Company has waived any rights to dividends.

Investments or reserves for the benefit of employees

- The Company has not made any investments or reserves for the benefit of its employees.
- The external auditor's report does not contain any reservations on the financial statements, nor has the Board made any recommendation to replace the Auditor before the end of the term.

11.18 DECLARATION →

- There are no arrangements or agreements under which any shareholder has waived any rights to profits.
- There are no arrangements or agreements under which any member of the Board of Directors or senior executives has waived any rewards or compensation.
- There are no competitive activities against the Company or any of its business segments that are being or have been conducted by any member of the Board of Directors.
- During the year 2024, there was no contract in which the Company was a party or had a material interest involving the CEO, CFO, or any related party other than what was declared.
- The Company has not repurchased, redeemed, or canceled any redeemable debt instruments, and the value of the remaining securities remains unchanged.
- There are no conversion or subscription rights under any convertible debt instruments, contractual securities, warrants, or similar rights issued or granted by the Company during the financial year ended 31 December 2024.
- There are no convertible debt instruments, options, warrants, or similar rights issued by the Company during the financial year ending on 31 December 2024.

The Company further declares that:

- Proper books of account have been maintained
- The system of internal control is sound in design and has been effectively implemented
- There are no significant doubts concerning the Company's ability to continue its activity.

12 RISK MANAGEMENT

The effective and proactive management of risk is vital for a company as it helps identify, assess, and address potential risks that could impact its operations, financial stability, reputation, and long-term success. By managing risks proactively, a company can prevent or minimise potential disruptions, optimise decision-making, and protect valuable assets. Effective risk management enables companies to adapt to changing market conditions, maintain regulatory compliance, and safeguard against unforeseen events. It also enhances stakeholder confidence, improves operational efficiency, and supports sustainable growth. Ultimately, a strong risk management framework ensures the company can navigate uncertainties and remain resilient in an increasingly complex and competitive business environment.

CURRENT AND FUTURE RISKS →

Saudi Re's Board of Directors plays a pivotal role in shaping the Company's approach to risk management by setting defined levels of risk appetite and tolerance. In addition, the Board sets the levels of the Company's risk appetite and risk tolerance, and oversees strategic and business planning, ensuring the Company's objectives align with its risk management framework. The business is managed through a collaborative structure involving the Board, its specialized Committees, and the Executive Management, all working together to ensure effective oversight and decision-making.

To maintain a robust risk management process, the Board has established an internal control system aimed at ensuring the adequacy, efficiency, and ongoing effectiveness of risk management practices across the organisation.

As specified in Note (31) of the financial statements, Saudi Re is exposed to a range of risks. These include reinsurance risk, regulatory framework risk, claims management risk, reserving and ultimate reserves risk, credit risk, liquidity risk, currency risk, special commission rate risk, and capital management risk.

The Company's internal annual review of risks conducted for 2024 identified current risks and emerging future risks, reflecting the evolving landscape in which Saudi Re operates.

RETROCESSION RISK

Retrocession Risk arises when retrocessionaires fail to meet their contractual obligations as per the retrocession contracts, including defaults on claims payments. This risk is mitigated through a rigorous selection process that emphasises diversifying reinsurance sources and carefully evaluating the financial stability and credit ratings of reinsurers.

Retrocession transfers portions of risk to other reinsurers, thereby distributing the financial burden and strengthening the reinsurance framework's resilience. These measures ensure a balanced and sustainable approach to managing the complex reinsurance risks.

CAPITAL MANAGEMENT RISK

Capital Management Risk arises from the potential inability of the Company to maintain sufficient capital to support its underwriting activities, absorb unexpected losses, meet regulatory and rating agency requirements, and execute its strategic objectives. Inadequate capital levels could adversely affect the Company's financial strength, market position, and stakeholder confidence.

To mitigate this risk, Saudi Re has established a disciplined capital management procedures that aligns with its overall risk profile, underwriting and investment exposures, and Company's business strategy. These procedures encompass prudent capital planning, stress testing, and continuous Solvency monitoring to ensure that capital resources remain sufficient considering the business profile. The Company regularly evaluates its capital adequacy by considering internal capital measurements, regulatory solvency requirements, and rating agencies requirements.

The capital management approach is supported by a disciplined risk appetite statement and governance structure, enabling the Company to respond effectively to market developments, catastrophic events, and other risk drivers while maintaining a strong and resilient capital base. Overall, Saudi Re's resilient capital base and strategy enable it to seize growth opportunities in line with its risk appetite and risk tolerance parameters.

12 RISK MANAGEMENT

CLAIMS MANAGEMENT RISK

Claims Management Risk arises primarily from inaccuracies or inadequacies in case reserves and claims settlements, leading to financial misstatements or operational inefficiencies. To mitigate this risk, the Company has established a dedicated Claims Management Department operating under a comprehensive framework of policies and procedures. This department ensures that claims are processed fairly, efficiently, and within a reasonable timeframe, adhering to the terms and conditions outlined in the policies. Additionally, it ensures compliance with regulatory requirements and aligns its practices with the Company's overarching business objectives.

CREDIT RISK

Credit Risk arises from the potential default of counterparties, including retrocessionaires, cedents, brokers, and debt issuers, which can lead to financial losses or disruptions in operations. To mitigate this risk, the Company has implemented comprehensive policies designed to assess and ensure the creditworthiness, financial stability, and legal standing of all counterparties. In addition to these initial assessments, the Company maintains a focus on the ongoing development and management of these relationships. This includes periodic monitoring of outstanding receivables and regular evaluations of the financial health and risk profiles of all involved parties.

RATING RISK

Reinsurance companies are at risk of rating downgrades by rating agencies if they fail to meet the agencies' requirements, which can harm their reputation and hinder growth. Rating agencies primarily evaluate the Company's ability to fulfill its financial obligations, meaning factors such as financial losses, significant growth fluctuations, or changes in the sovereign rating of Saudi Arabia can impact the Company's compliance with these agencies' standards. To mitigate this risk, the Company actively manages its capital in line with the requirements set by the rating agencies, reviewing this on a quarterly basis.

The Company also maintains open communication with these agencies, providing regular updates on its business performance and the market conditions. Any concerns raised by the agencies are promptly addressed, and appropriate actions are taken to adjust to any significant changes in the Company's risk profile, ensuring its ongoing ability to meet the required financial criteria.

LIQUIDITY RISK

Liquidity Risk arises when the Company is unable to access the necessary funds to meet its financial obligations as they come due, potentially resulting in losses due to the forced liquidation of investments at unfavourable prices. To mitigate the impact of this risk, the Company regularly monitors its liquidity needs and ensures that sufficient cash flow is available to cover its obligations. In addition, the Company has implemented a comprehensive investment policy that includes strict controls designed to manage liquidity risk effectively.

CLAIM RESERVING RISK

Claims Reserving Risk arises when the reinsurance reserves set aside prove to be inadequate to meet the Company's reinsurance liabilities, typically due to inaccurate or overly optimistic projections. To manage this risk effectively, the actuarial team employs a variety of well-established methodologies to estimate ultimate claims with a high degree of accuracy. These include analysing claims development patterns over time, conducting detailed projections of ultimate claims, and performing stress tests on the ultimate reinsurance liability balances.

REINSURANCE RISK

Reinsurance Risks encompass a range of challenges, including the concentration of risks within specific regions or industries, the accumulation of exposures that could result in substantial losses, vulnerability to catastrophic events, and significant exposure to single large losses. Additionally, the increasing frequency and severity of claims, driven by factors such as climate change, economic shifts, and evolving market dynamics, further amplify these risks.

To address these challenges, effective mitigation strategies include diversifying the portfolio of accepted risks to reduce dependency on any single source of exposure, implementing stringent underwriting guidelines that are customised to align with both regional and global conditions, and employing retrocession protection.

MARKET RISK

Market Risk refers to the potential for financial losses resulting from the movements and fluctuations in market forces, which can lead to a reduction in the Company's capital. For Saudi Re, market risk exposure primarily arises from its investment portfolio, with key risks driven by factors such as interest rate changes, equity market volatility, and economic instability, including fluctuations in oil prices. These market dynamics can significantly impact the value of investments and the Company's overall financial position. To manage these risks effectively, Saudi Re has implemented a comprehensive Investment Policy Statement, which is regularly reviewed and approved by the Board. This policy outlines the strategies and controls designed to mitigate market risk, ensuring that the Company's investment activities remain aligned with its risk appetite and financial objectives.

CYBER RISK

Saudi Re considers information to be a critical asset, integral to its operations and overall success. As the use of information systems and data becomes increasingly central to the Company's activities, it faces heightened risks, including potential threats of unauthorized access, theft, disruption, leakage, modification, or destruction of sensitive data by malicious actors. These individuals or entities may seek to compromise the Company's operations, harm its assets, or negatively impact employees and other stakeholders. To safeguard against these risks, Saudi Re employs a comprehensive set of regulatory, technical, and preventative measures. These include robust security protocols designed to protect computers, servers, networks, and all sensitive data from unauthorized penetration, damage, alteration, or interruption, ensuring the integrity and continuity of the Company's services and operations.

LEGAL AND REGULATORY COMPLIANCE RISKS

The Company is required to adhere to the legal and regulatory mandates established by relevant regulatory authorities, including the Insurance Authority, the Saudi Capital Market Authority, the Ministry of Commerce, and the Ministry of Human Resources and Social Development. In order to ensure full compliance with these regulations, the Company has implemented a rigorous compliance policy that governs its operations. Additionally, the Company has established a dedicated Compliance Department, which is responsible for overseeing all compliance-related matters and ensuring that the Company's activities remain in line with the relevant legal and regulatory frameworks. This Department reports directly to the Audit Committee, enabling prompt identification and resolution of compliance issues at the highest level.

12 RISK MANAGEMENT

REPUTATION RISK

The Company considers its reputation of paramount importance, crucial for maintaining the trust of both existing and prospective clients. As such, any information or news, whether directly or indirectly related to the Company, has the potential to damage its reputation and erode client confidence in its ability to provide reliable reinsurance services. To manage this risk, the Company prioritizes retaining the trust of its partners through effective communication channels, consistently reinforcing the strength of its brand and demonstrating its stability and reliability.

Additionally, the Company's financial standing is bolstered by strong ratings from reputable agencies. It holds an AA+ rating from SIMAH's Credit Rating Agency, Tassnief, and an A3 rating from Moody's. The Company also boasts an "A-" long-term issuer credit rating and insurer financial strength rating from Standard & Poor's Global (S&P), alongside a "gcAAA" regional scale rating with a stable outlook. Furthermore, Moody's has awarded the Company an "A3" Insurance Financial Strength Rating (IFSR) on the international scale, as well as an A1.sa national scale IFSR rating, both with stable outlooks, underscoring its financial robustness and commitment to maintaining stakeholder confidence.

CURRENCY RISK

The Company faces Currency Risk due to fluctuations in foreign exchange rates, which can affect investments or underwriting commitments denominated in those currencies. If not managed effectively, these fluctuations can lead to unexpected financial outcomes. To minimize the impact of this risk, the Company regularly monitors its currency exposure, assessing the potential effects of exchange rate movements on its financial position. When necessary, the Company takes proactive measures to manage this risk, such as adjusting its currency hedging strategies or altering its foreign currency exposures to better align with its risk management objectives.

EMERGING RISK

Emerging Risks are considered high risks due to the challenges of identifying them early. However, when recognized in time, these risks can be effectively mitigated. The Company monitors all events that might be a peril to the Company, keeps its Board of Director, related committees and Executive Management informed and provides the necessary plan to avoid, transfer, or reduce these risks.

One of the emerging risks is the non-adoption of Environmental, Social, and Governance (ESG) standards. An example of these standards is addressing climate change and its impact, as reinsurance provides various levels of security over a long-time period. Increased temperature variability and the resulting heatwaves can not only affect agriculture, productivity, water resources, health and mortality, but can also increase unsustainability in certain regions. The Company is adopting different initiatives to ensure meeting ESG standards and has published Sustainability Reports since 2020, highlighting the Company's initiatives towards ESG standards compliance.

In addition, global conflicts are considered emerging risks for the insurance sector as they may lead to an increase in the cost of insurance and reduce the availability of insurance protection. The ongoing Russia-Ukraine conflict is one such example. However, the Company has limited exposure to the conflicted region, and it is continuously monitoring the exposure and is prepared to take necessary measures to address any future impacts.

OPERATING PERFORMANCE

INDEPENDENT AUDITORS' REPORT

KPMG Professional Services Company
Riyadh Front, Airport Road
P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

الدكتور محمد العمري وشركاه
Dr. Mohamed Al-Amri & Co.

TO THE SHAREHOLDERS OF SAUDI REINSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)

Opinion

We have audited the financial statements of Saudi Reinsurance Company (the "Company"), which comprise the statement of financial position as at 31 December 2024, the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes comprising material accounting policies and other explanatory information .

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for Opinion

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

Key Audit Matters

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

Valuation of reinsurance and retrocession contract assets and liabilities

The key audit matter	How the matter was addressed in our audit

As at 31 December 2024, the Company held reinsurance and retrocession contract assets and liabilities through the following components, as disclosed in note 8 to the financial statements:
• Reinsurance Contract Assets: SR 92.13 million
• Reinsurance Contract Liabilities: SR 1,585.14 million
• Retrocession Contract Assets: SR 627.93 million
• Retrocessions Contract Liabilities: SR 16.93 million
The measurement of these components includes estimation of the present value of future cash flows, risk adjustment for non-financial risk together with the Contractual Service Margin ("CSM"). These balances involve highly complex calculations and data inputs that are susceptible to a higher degree of estimation i.e., estimated premium income.
 	
While there is considerable judgment applied by management and inherent uncertainty in selecting assumptions, the assumptions with the greatest estimation uncertainty are related to estimating future cash flows and the risk adjustment. The determination of future cash flows and risk adjustment requires the use of complex formulas as well as models and other computational tools that may be incorrectly designed or configured, and for which inadequate assumptions and/or incomplete or inaccurate input data may be used.
 	
Accordingly, valuation of reinsurance and retrocession contract assets and liabilities was identified as a key audit matter due to the significance of the amount involved as well as significant judgements and assumptions used in estimating the reinsurance and retrocession contract assets and liabilities.
 	
Refer to the summary of material accounting policies in note 3 relating to the recognition, measurement, and presentation of reinsurance and retrocession contracts and note 7 for details relating to reinsurance and retrocession contracts.
	Together with our actuarial specialist, on a sample basis, we:
	• assessed the design and implementation and tested the operating effectiveness of key controls over management's processes for determining reinsurance and retrocession contract assets and liabilities;
	• considered the Company's accounting policies against the requirements of the accounting standard and our understanding of the business and industry practice;
	• assessed the reasonableness of management's key judgements and estimates, including selection and application of methods/models, significant assumptions, for:
	  • fulfillment cash flows and payment patterns used for calculation of fulfillment cash flows
	  • discount rates applied for estimation of present value of fulfillment cash flows
	  • risk adjustment for non-financial risk
	• recalculated the reinsurance and retrocession contract assets/liabilities as at the reporting date on using our independent IFRS 17 tool.
	We also analysed the actuarial reserve report issued by the Company's appointed actuary;
	• assessed the competence, capability and objectivity of the Company's appointed actuary;
	• evaluated the appropriateness and tested the mathematical accuracy of models applied;
	• assessed the reserving methodology on a gross and net of retrocession basis and performed independent re-projections of Incurred but not Reported Claims (IBNR) by applying our own assumptions, across selected lines of business;
	• tested the completeness, accuracy and relevance of data used to estimate future cash flows associated with groups of contracts including agreeing a sample of claims to underlying information; and
	• evaluated the completeness, accuracy and relevance of disclosures required by IFRS 17, including disclosures about assumptions and major sources of estimation uncertainty.

INDEPENDENT AUDITORS' REPORT

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the Supplementary Information, which we obtained prior to the date of this auditors' report, and the Annual Report (but does not include the financial statements and our auditors' report thereon) which is expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditors'report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

KPMG Professional Services Company
P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia

Dr. Abdullah Hamad Al Fozan
Certified Public Accountant
License No. 348

Dr. Mohamed Al-Amri & Co.
P. O. Box 8736
Riyadh 11492
Kingdom of Saudi Arabia

Gihad M. Al-Amri
Certified Public Accountant
License No. 362

Al Riyadh on 20 March 2025
Corresponding to: 20 Ramadhan 1446H

STATEMENT OF FINANCIAL POSITION

As at	Notes	31 December 2024 ⃁	31 December 2023* ⃁
ASSETS			
Cash and bank balances	5	**73,464,920**	87,905,002
Financial investments measured at fair value through income statement (FVIS)	6	**94,824,666**	154,455,986
Financial investments measured at fair value through other comprehensive income (FVOCI)	6	**285,914,854**	141,632,674
Financial investments measured at amortized cost	6	**1,916,208,117**	1,127,330,016
Reinsurance contract assets	7	**92,128,480**	77,827,287
Retrocession contract assets	7	**627,927,506**	439,593,167
Prepaid expenses, deposits and other assets	10,34	**180,820,946**	195,601,639
Property and equipment, net	8	**29,553,225**	30,524,514
Intangible assets, net	9	**6,162,531**	6,614,676
Investment in an equity accounted investee	11	**–**	208,989,740
Statutory deposit	12	**89,100,000**	89,100,000
Accrued income on statutory deposit	12	**22,314,278**	22,056,608
TOTAL ASSETS		**3,418,419,523**	2,581,631,309
LIABILITIES			
Margin loan payable	13	**56,797,019**	56,797,019
Reinsurance contract liabilities	7,34	**1,585,141,809**	1,214,794,574
Retrocession contract liabilities	7	**16,932,020**	189,653
Accrued expenses and other liabilities	14,34	**46,564,235**	76,864,088
Provision for employees' end of service benefits	15	**30,351,542**	18,633,092
Provision for Zakat and tax	16	**41,671,425**	41,548,376
Accrued commission income payable to Insurance Authority	12	**29,046,147**	25,982,468
TOTAL LIABILITIES		**1,806,504,197**	1,434,809,270

As at	Notes	**31 December 2024 ⃁**	31 December 2023* ⃁
Equity			
Share capital	17	**891,000,000**	891,000,000
Statutory reserve	18	**162,893,535**	67,931,207
Retained earnings		**585,294,283**	194,358,333
Other reserves		**(27,272,492)**	(6,467,501)
TOTAL EQUITY		**1,611,915,326**	1,146,822,039
TOTAL LIABILITIES AND EQUITY		**3,418,419,523**	2,581,631,309

*Certain comparative figures have been reclassified. Please refer note 34 for details.

Chief Executive Officer

Chairman of the Board

Chief Financial Officer

STATEMENT OF INCOME

For the year ended	Notes	**31 December 2024 ⃁**	31 December 2023 ⃁
Reinsurance revenue	19	**1,129,966,260**	627,187,025
Reinsurance service expenses	20	**(987,822,423)**	(509,774,279)
Net income from retrocession contracts	21	**388,563**	2,349,500
Reinsurance service result		**142,532,400**	119,762,246
Investment income calculated using effective profit rate	24	**68,240,189**	53,278,483
Net income from financial investments measured at fair value	25	**14,414,552**	11,425,002
Gain on sale of investment in an equity accounted investee	11	**365,949,388**	–
Investment management expenses		**(9,619,291)**	(4,207,747)
Reversal/(charge) for expected credit losses	7	**1,196,586**	(108,091)
Net investment income		**440,181,424**	60,387,647
Net finance expense from reinsurance contracts issued	22	**(49,526,270)**	(54,850,549)
Net finance income from retrocession contracts held	23	**12,097,373**	20,224,903
Net financial result		**402,752,527**	25,762,001
NET REINSURANCE AND INVESTMENT RESULT		**545,284,927**	145,524,247
Other income	26	**8,777,656**	6,335,975
Special commission expense		**(1,802,326)**	(1,677,423)
Other operating expenses	27	**(49,054,974)**	(31,691,313)
Share of profit of equity accounted investee	11	**2,510,590**	40,070,637
Net profit for the year before Zakat and tax		**505,715,873**	158,562,123
Zakat for the year	16	**(29,668,654)**	(33,870,444)
Income tax charge for the year	16	**(1,235,577)**	(262,185)
Net profit for the year after Zakat and tax		**474,811,642**	124,429,494
Basic and diluted earnings per share	28	**5.33**	1.40
Weighted average number of shares in issue		**89,100,000**	89,100,000

Chief Executive Officer

Chairman of the Board

Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

For the year ended	Notes	**31 December 2024 ⃁**	31 December 2023 ⃁
Net income for the year after Zakat and tax		**474,811,642**	124,429,494
Other comprehensive income			
Items that will not be reclassified to income statement subsequently			
Financial investments at FVOCI – net change in fair value	6	**1,559,726**	711,479
Re-measurement loss on employees’ end of service benefit obligations	15	**(12,889,711)**	(3,734,110)
Items that may be classified to income statement subsequently			
Share of foreign currency translation reserve of an equity accounted investee		**1,611,630**	5,038,135
		(9,718,355)	2,015,504
Total comprehensive income for the year		**465,093,287**	126,444,998

Chief Executive Officer

Chairman of the Board

Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December	GCC shareholders and general public			
	Share capital ⃁	Statutory reserve ⃁	Retained earnings ⃁	Other reserves ⃁
Balance as at 1 January 2023	855,064,607	41,309,225	90,990,714	(11,205,604)
Transfer during the year	(10,156,037)	(490,651)	(1,080,742)	133,095
Net income for the year	–	–	117,992,756	–
Other comprehensive income	–	–	–	1,911,242
Total comprehensive income for the year	–	–	117,992,756	1,911,242
Transfer to statutory reserve	–	23,598,551	(23,598,551)	–
Share of capital contribution of investment in equity accounted investee	–	–	–	3,028,330
Balance as at 31 December 2023	844,908,570	64,417,125	184,304,177	(6,132,937)
Balance as at 1 January 2024	**844,908,570**	**64,417,125**	**184,304,177**	**(6,132,937)**
Transfer during the year	**(29,108,970)**	**(2,219,312)**	**(6,349,687)**	**211,293**
Net income for the year	**–**	**–**	**434,737,539**	**–**
Other comprehensive income	**–**	**–**	**–**	**(8,898,126)**
Total comprehensive income for the year	**–**	**–**	**434,737,539**	**(8,898,126)**
Transfer to statutory reserve	**–**	**86,947,508**	**(86,947,508)**	**–**
Share of capital contribution of investment in equity accounted investee	**–**	**–**	**10,150,924**	**(10,150,924)**
Balance as at 31 December 2024	**815,799,600**	**149,145,321**	**535,895,445**	**(24,970,694)**

Chief Executive Officer

Chairman of the Board

Chief Financial Officer

Non-GCC shareholders				Total				
Share capital ⃁	Statutory reserve ⃁	Retained earnings ⃁	Other reserves ⃁	Share capital ⃁	Statutory reserve ⃁	Retained earnings ⃁	Other reserves ⃁	Total ⃁
35,935,393	1,736,083	3,824,024	(470,932)	891,000,000	43,045,308	94,814,738	(11,676,536)	1,017,183,510
10,156,037	490,651	1,080,742	(133,095)	–	–	–	–	–
–	–	6,436,738	–	–	–	124,429,494	–	124,429,494
–	–	–	104,262	–	–	–	2,015,504	2,015,504
–	–	6,436,738	104,262	–	–	124,429,494	2,015,504	126,444,998
–	1,287,348	(1,287,348)	–	–	24,885,899	(24,885,899)	–	–
–	–	–	165,201	–	–	–	3,193,531	3,193,531
46,091,430	3,514,082	10,054,156	(334,564)	891,000,000	67,931,207	194,358,333	(6,467,501)	1,146,822,039
46,091,430	**3,514,082**	**10,054,156**	**(334,564)**	**891,000,000**	**67,931,207**	**194,358,333**	**(6,467,501)**	**1,146,822,039**
29,108,970	**2,219,312**	**6,349,687**	**(211,293)**	**–**	**–**	**–**	**–**	**–**
–	**–**	**40,074,103**	**–**	**–**	**–**	**474,811,642**	**–**	**474,811,642**
–	**–**	**–**	**(820,229)**	**–**	**–**	**–**	**(9,718,355)**	**(9,718,355)**
–	**–**	**40,074,103**	**(820,229)**	**–**	**–**	**474,811,642**	**(9,718,355)**	**465,093,287**
–	**8,014,820**	**(8,014,820)**	**–**	**–**	**94,962,328**	**(94,962,328)**	**–**	**–**
–	**–**	**935,712**	**(935,712)**	**–**	**–**	**11,086,636**	**(11,086,636)**	**–**
75,200,400	**13,748,214**	**49,398,838**	**(2,301,798)**	**891,000,000**	**162,893,535**	**585,294,283**	**(27,272,492)**	**1,611,915,326**

STATEMENT OF CASH FLOWS

For the year ended	Notes	**31 December 2024 ⃁**	31 December 2023 ⃁
Cash flows from operating activities			
Net profit for the year before Zakat and tax		**505,715,873**	158,562,123
Adjustments to reconcile net income for the period before Zakat and tax to net cash generated from operating activities:			
Provision for employees' end of service benefits	15	**2,444,377**	1,775,673
Investment income calculated using effective profit rate	24	**(68,240,189)**	(53,278,483)
Income from Tier 1 Sukuk	25	**(8,590,914)**	(5,181,590)
Special commission expense on margin loan payable		**1,802,326**	1,677,423
Depreciation and amortization of property and equipment and intangibles	27	**3,340,087**	2,713,931
Realized (gains)/losses on investments held at fair value through income statement	25	**(15,946,925)**	18,672
Unrealized losses/(gains) on investments held at fair value through income statement	25	**7,410**	(4,871,961)
Dividend income	25	**(522,095)**	(1,390,123)
Share of profit of equity accounted investee	11	**(2,510,590)**	(40,070,637)
Gain on sale of investment in an equity accounted investee	11	**(365,949,388)**	–
(Reversal)/charge for the expected credit losses		**(1,196,586)**	108,091
Operating income before changes in operating assets and liabilities		**50,353,386**	60,063,119
Changes in operating assets and liabilities:			
Reinsurance contract assets		**(14,301,193)**	27,209,268
Reinsurance contract liabilities		**370,347,235**	368,624,656
Retrocession contract assets		**(188,334,339)**	(250,347,092)
Retrocession contract liabilities		**16,742,367**	(11,966,091)
Prepaid expenses, deposits and other assets		**14,780,693**	(91,951,025)
Accrued expenses and other liabilities		**(30,299,853)**	(96,658,682)
		219,288,296	4,974,153
Zakat and tax paid	16	**(30,781,182)**	(10,117,416)
Employees' end of service benefits paid	15	**(3,615,638)**	(744,421)
Net cash from/(used in) operating activities		**184,891,476**	(5,887,684)

For the year ended	Notes	31 December 2024 ⃁	31 December 2023 ⃁
Cash flows from investing activities			
Additions to financial investments measured at amortized cost	6	**(2,225,861,361)**	(214,672,255)
Proceeds from maturity of financial investments measured at amortized cost	6	**1,445,835,854**	126,765,889
Receipt of special commission income		**65,190,141**	49,062,047
Dividends received		**522,095**	1,390,123
Purchase of property and equipment, net		**(1,916,653)**	(3,473,912)
Proceeds from disposal of investment in an equity accounted investee	11	**579,061,348**	–
Additions to financial investments measured at FVIS	6	**(1,046,778,424)**	(273,799,473)
Proceeds from disposal of financial investments measured at FVIS	6	**1,122,349,259**	396,850,320
Additions to financial investments measured at FVOCI	6	**(138,737,500)**	(21,000,000)
Net cash (used in)/from investing activities		**(200,335,241)**	61,122,739
Cash flows used in financing activity			
Special commission expense paid against margin loan		**(1,802,326)**	(1,677,423)
Net cash used in financing activity		**(1,802,326)**	(1,677,423)
INCREASE IN CASH AND CASH EQUIVALENTS		**(17,246,091)**	53,557,632
Cash and cash equivalents at the beginning of the year		**83,979,142**	30,421,510
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	**66,733,051**	83,979,142

Chief Executive Officer

Chairman of the Board

Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

1 ORGANIZATION AND PRINCIPAL ACTIVITIES

Saudi Reinsurance Company (the "Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under commercial registration number 1010250125 (Entity number: 7001556021) dated 12 Jumad Al-Awal 1429H (corresponding to 17 May 2008) with a branch in the Federal Territory of Labuan, Malaysia with license number IS2014146. The address of the Company's registered office is at 4130 Northern Ring Road Al Wadi, Unit number 1, Riyadh 13313-6684, Kingdom of Saudi Arabia.

The objective of the Company is to transact cooperative reinsurance and related activities inside and outside the Kingdom of Saudi Arabia.

During 2023, the Insurance Authority has been established by a royal decree as the insurance regulator (herein after referred to as 'the Regulator'). Previously issued regulations by SAMA will be upheld until the Insurance Authority issued updated regulations. Therefore, the accrued income liability is payable to the Insurance Authority.

2 BASIS OF PREPARATION

Statement of compliance

The Financial Statements of the Company as at and for the year ended 31 December 2024 have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IFRS") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The Company's statement of financial position is not presented using a current/non-current classification. However, the following balances would generally be classified as current: cash and bank balances, financial investments at fair value through income statement, prepaid expenses, deposits and other assets, accrued expenses and other liabilities, and provision for Zakat and tax. All other financial statement line items would generally be classified as non-current unless stated otherwise.

As required by the Saudi Arabian Insurance Regulations (the Implementation Regulations), the Company maintains separate books of accounts for "Reinsurance Operations" and "Shareholders' Operations". Accordingly, assets, liabilities, revenues and expenses clearly attributable to either operation, are recorded in the respective books of accounts.

Basis of measurement

These Financial Statements have been prepared under the going concern basis and the historical cost convention, except for reinsurance and retrocession contracts which are measured at the present value of estimated fulfillment cash flows that are expected to arise as the Company fulfills its contractual obligations and a contractual service margin ("CSM") in accordance with IFRS 17, the measurement at fair value of financial investments at fair value through income statement, financial investments at fair value through other comprehensive income, and employees' end of service benefits (EOSB) measured at present value of future obligations using projected unit credit method.

The new Companies Law issued through Royal Decree M/132 on 1/12/1443H (corresponding to 30 June 2022) (hereinafter referred as "the Law") came into force on 26/6/1444H (corresponding to 19 January 2023). For certain provisions of the Law, full compliance is expected not later than two years from 26/6/1444H (corresponding to 19 January 2023). The Company has amended its Articles of Association to align it with the provisions of the Law.

Functional and presentation currency

These Financial Statements have been presented in Saudi Arabian Riyals (SR), which is the functional and presentational currency of the Company. All financial information presented has been rounded off to the nearest SR.

Fiscal year

The Company's fiscal year is aligned with the calendar year i.e. it begins at 1 January and ends at 31 December.

3 MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these Financial Statements are set out below.

Amendments to existing standards

Following standard, interpretation or amendment are effective from the annual reporting period beginning on 1 January 2024 and are adopted by the Company, however, they do not have any significant impact on the Financial Statements of the year unless otherwise stated below:

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 16 – Leases on sale and leaseback	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	1 January 2024
Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.	1 January 2024
Amendment to IAS 1 – Non-current liabilities with covenants and Classification of liabilities as current or non-current	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.	1 January 2024

New standards not yet effective

Standard, interpretation, amendments	Description	Effective date
Amendments to IAS 21 – Lack of Exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	1 January 2025
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability, and its parent produces consolidated financial statements under IFRS.	1 January 2027

The Company anticipates that the application of these new standards and amendments in the future will not have a significant impact on the amounts reported.

Reinsurance and retrocession contracts

(i) Classification

Contracts under which the Company accepts significant reinsurance risk are classified as reinsurance contracts. Contracts held by the Company under which it transfers significant reinsurance risk related to underlying reinsurance contracts are classified as retrocession contracts. Reinsurance and retrocession contracts also expose the Company to financial risk.

The Company does not underwrite any reinsurance or retrocession contracts that contain embedded derivatives or distinct investment components. Furthermore, the Company's reinsurance portfolio does not contain any non-insurance components that will need to be unbundled from reinsurance contracts.

(ii) Aggregation and recognition of reinsurance and retrocession contracts

Reinsurance contracts

Reinsurance contracts are aggregated into groups for measurement purposes. Groups of reinsurance contracts are determined by identifying portfolios of reinsurance contracts, each comprising contracts subject to similar risks and managed together, and dividing each portfolio into annual cohorts (i.e. by year of issue) and each annual cohort into three groups based on the profitability of contracts:

- any contracts that are onerous on initial recognition;
- any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
- any remaining contracts in the annual cohort.

Reinsurance contract issued by the Company is recognized from the earliest of:

- the beginning of its coverage period (i.e. the period during which the Company provides services in respect of any premiums within the boundary of the contract);
- when the first payment from the insurer becomes due or, if there is no contractual due date, when it is received from the insurer; and
- when facts and circumstances indicate that the contract is onerous.

When the contract is recognized, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Groups of contracts are established on initial recognition and their composition is not revised once all contracts have been added to the group.

Retrocession contracts

Groups of retrocession contracts are established such that each group comprises a single contract. Some retrocession contracts provide cover for underlying contracts that are included in different groups. However, the Company concludes that the retrocession contract's legal form of a single contract reflects the substance of the Company's contractual rights and obligations, considering that the different covers lapse together and are not sold separately. As a result, the retrocession contract is not separated into multiple reinsurance components that relate to different underlying groups.

A group of retrocession contracts initiated by the Company is recognized on the following date.

- Retrocession contracts that provide proportionate coverage: The later date on which any underlying reinsurance contract is initially recognized and the beginning of the coverage period of the group of retrocession contracts. This applies to the Company's quota share retrocession contracts.
- Other retrocession contracts: The beginning of the coverage period of the group of retrocession contracts. This applies to the Company's excess of loss retrocession contracts.

However, if the Company recognizes an onerous group of underlying reinsurance contracts on an earlier date and the related retrocession contract was entered into before that earlier date, then the group of retrocession contracts is recognized on that earlier date.

(iii) Reinsurance acquisition cashflows

Reinsurance acquisition cash flows are allocated to groups of reinsurance contracts under a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort. If reinsurance acquisition cash flows are directly attributable to a group of contracts, then they are allocated to that group. If reinsurance acquisition cash flows are directly attributable to a portfolio but not to a group of contracts, then they are allocated to groups in the portfolio under a systematic and rational method. At each reporting date, the Company revises the amounts allocated to groups to reftect any changes in assumptions that determine the inputs to the allocation method used. Amounts allocated to a group are not revised once all contracts have been added to the group.

(iv) Contract boundaries

The measurement of a group of contracts includes all of the future cash floows within the boundary of each contract in the group, determined as follows.

Reinsurance contracts	Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Branch can compel the insurer to pay premiums or has a substantive obligation to provide services. A substantive obligation to provide services ends when: – the Branch has the practical ability to reassess the risks of the particular insurer and can set a price or level of benefits that fully reflects those reassessed risks; or – the Branch has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date. The reassessment of risks considers only risks transferred from insurers to the Branch, which may include both insurance and financial risks, but excludes lapse and expense risks. The Company writes contracts on both a risk-attaching and losses-occurring basis and distinction is made depending on the basis of the contract being valued for determining the contract boundary. In particular: – For contracts written on a losses-occurring basis, the coverage period will be equal to the duration between the effective dates of the contract i.e., the term of the contract being valued. – For contracts written on a risk-attaching basis, the coverage period will be equal to duration between the attachment point of first attaching risk and expiry date of last attaching risk i.e., the term of the contract being valued plus term of the last underlying risk that attachesto the contract.
Retrocession contracts	Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Company is compelled to pay amounts to the retrocessionaire or has a substantive right to receive services from the retrocessionaire. A substantive right to receive services from the retrocessionaire ends when the retrocessionaire: – has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or – has a substantive right to terminate the coverage Treaty retrocession contracts are written on a losses-occurring and risk attaching basis, renewed annually. However, the quota share arrangement covering all risk written in the KSA region is written on a risk-attaching basis. At initial recognition of the risk-attaching retrocession contract, it would be necessary to allow for expected new business to be written over the year in the best estimate cash flows. Given the uncertainty in contract duration of the business expected to be written over the course of the year, this creates a contract boundary that depends on the duration of the underlying ceded risks. This quota share retrocession contract will thus be recognized on the earlier of when retrocession coverage starts or when onerous underlying contracts are recognized. However, to the extent that the group of underlying contracts are recognized after the group of retrocession contracts, the latter will only be recognized when the group of underlying contracts are recognized. These groups are recognized when the coverage of the first retrocession contract in that group starts or when onerous underlying contracts are recognized, depending on which is earlier.

(v) Measurement

Reinsurance contracts – Initial measurement

On initial recognition, the Company measures a group of reinsurance contracts as the total of (a) the fulfilment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the CSM. The fulfilment cash flows of a group of reinsurance contracts do not reflect the Company's non-performance risk.

The risk adjustment for non-financial risk for a group of reinsurance contracts, determined separately from the other estimates, is the compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk.

The CSM of a group of reinsurance contracts represents the unearned profit that the Company will recognize as it provides services under those contracts. On initial recognition of a group of reinsurance contracts, if the total of (a) the fullfilment cash flows, and (b) risk adjustment is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

If the total is a net outflow, then the group is onerous. In this case, the net outflow is recognized as a loss in statement of income. A loss component is created to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in statement of income as reversals of losses on onerous contracts and are excluded from reinsurance revenue.

The Company's transition approaches applied at the date of transition to IFRS 17 (1 January 2022) continue to impact a significant part of how the CSM balance as at 31 December 2024 and 31 December 2023 has been determined.

Reinsurance contracts – Subsequent measurement

The carrying amount of a group of reinsurance contracts issued at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims;

- the Liability for Remaining Coverage (LRC) comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date.
- the liability for incurred claims (LIC) includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

The fulfilment cash flows of groups of reinsurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in fulfilment cash flows are recognized as follows.

Changes relating to future services	Adjusted against the CSM (or recognised in the reinsurance service result in profit or loss if the group is onerous).
Changes relating to current or past services	Recognized in the reinsurance service result in statement of income
Effects of the time value of money, financial risk and changes therein on estimated future cash flow	Recognized as reinsurance finance income or expenses

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- the CSM of any new contracts that are added to the group in the year;
- interest accreted on the carrying amount of the CSM during the period,
- changes in fulfilment cash flows that relate to future services, except to the extent that:

  - any increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognized as a loss in profit or loss and creates a loss component; or
  - any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognized in statement of income;
- the effect of any currency exchange differences on the CSM; and
- the amount recognized as reinsurance revenue because of the services provided in the period.

Changes in fulfilment cash flows that relate to future services comprise:

- experience adjustments arising from premiums received in the year that relate to futures services and related cash flows, measured at the discount rates determined on initial recognition;
- changes in estimates of the present value of future cash flows in the liability for remaining coverage, measured at the discount rates determined on initial recognition, except for those that arise from the effects of the time value of money, financial risk and changes therein;
- changes in the risk adjustment for non-financial risk that relate to future service.

To measure a group of retrocession contracts, the Company applies the same accounting policies as are applied to reinsurance contracts with the following modifications.

The carrying amount of a group of retrocession contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises (a) the fulfillment cash flows that relate to services that will be received under the contracts in future periods and (b) any remaining CSM at that date.

The Company measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying reinsurance contracts, with an adjustment for any risk of non-performance by the retrocessionaire. The effect of the non-performance risk of the retrocessionaire is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in the reinsurance service result.

The risk adjustment for non-financial risk is the amount of risk being transferred by the Company to the retrocessionaire. The Company does not adjust the risk adjustment for non-financial risk for the risk that the actual effect of non-performance of the retrocessionaire differs from the adjustment included in the fulfilment cash flows.

On initial recognition, the CSM of a group of retrocession contracts represents a net cost or net gain on purchasing retrocession. It is measured as the equal and opposite amount of the total of (a) the fulfilment cash flows, (b) any amount arising from the derecognition of any assets or liabilities previously recognized for cash flows related to the group, (c) any cash flows arising at that date and (d) any income recognized in profit or loss because of onerous underlying contracts recognized at that date. However, if any net cost on purchasing retrocession coverage relates to insured events that occurred before the purchase of the group, then the Company recognizes the cost immediately in the statement of icnome as an expense.

The Company's transition approaches applied at the date of transition to IFRS 17 (1 January 2022) continue to impact a significant part of how the CSM balance as at 31 December 2024 and 31 December 2023 has been determined.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

- the CSM of any new contracts that are added to the group in the year;
- interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition;
- income recognized in profit or loss in the year on initial recognition of onerous underlying contracts;
- reversals of a loss-recovery component to the extent that they are not changes in the fulfilment cash flows of the group of retrocession contracts;

- changes in fulfilment cash flows that relate to future services, measured at the discount rates determined on initial recognition, unless they result from changes in fulfilment cash flows of onerous underlying contracts, in which case they are recognized in profit or loss and create or adjust a loss-recovery component;
- the effect of any currency exchange differences on the CSM; and
- the amount recognized in profit or loss because of the services received in the year.

Retrocession of onerous underlying reinsurance contracts

The Company adjusts the CSM of the group to which a retrocession contract belongs and as a result recognizes income when it recognizes a loss on initial recognition of onerous underlying contracts, if the retrocession contract is entered into before or at the same time as the onerous underlying contracts are recognized. The adjustment to the CSM is determined by multiplying:

- the amount of the loss that relates to the underlying contracts; and
- the percentage of claims on the underlying contracts that the Company expects to recover from the retrocession contracts.
- changes in the risk adjustment for non-financial risk that relate to future service.

A loss-recovery component is created or adjusted for the group of retrocession contracts to depict the adjustment to the CSM, which determines the amounts that are subsequently presented in the statement of income as reversals of recoveries of losses from the retrocession contracts and are excluded from the allocation of retrocession premiums paid.

(vi) Derecognition

The Company derecognizes a contract when it is extinguished – i.e. when the specified obligations in the contract expire or are discharged or cancelled.

A contract is derecognized from the group of contracts by making the following adjustments:

- the fulfiment cash flows allocated to the group are adjusted to eliminate those that relate to the rights and obligations derecognized
- the CSM of the group is adjusted for the change in the fulfilment cash flows, except where such changes are allocated to a loss component or where the group has no remaining coverage period; and
- the number of coverage units for the expected remaining services is adjusted to reflect the coverage units derecognized from the group

(vii) Presentation

Portfolios of reinsurance contracts that are assets and those that are liabilities, and portfolios of retrocession contracts that are assets and those that are liabilities, are presented separately in the statement of financial position.

Income and expenses from retrocession contracts are presented separately from income and expenses from reinsurance contracts. Income and expenses from retrocession contracts, other than retrocession finance income or expenses, are presented on a net basis as 'net expenses from retrocession contracts' in the reinsurance service result.

The Company does not disaggregate changes in the risk adjustment for non-financial risk between the reinsurance service result and reinsurance finance income or expenses. All changes in the risk adjustment for non-financial risk that relate to current or past services are included in the reinsurance service result.

Reinsurance revenue and reinsurance service expenses exclude any investment components and are recognized as follows.

Reinsurance revenue

The Company recognizes reinsurance revenue as it provides services under groups of reinsurance contracts. Reinsurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Company expects to receive consideration, and comprises the following items.

- A release of the CSM, measured based on coverage units provided.
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year.
- Other amounts, including experience adjustments for premium receipts for current or past services.

In addition, the Company allocates a portion of premiums that relate to recovering reinsurance acquisition cash flows to each period in a systematic way based on the passage of time. The Company recognizes the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as reinsurance revenue and an equal amount as reinsurance service expenses.

Release of CSM

The amount of the CSM of a group of reinsurance contracts that is recognized as reinsurance revenue in each year is determined by identifying the coverage units in the group, allocating the CSM remaining at the end of the year (before any allocation) equally to each coverage unit provided in the year and expected to be provided in future years, and recognizing in the statement of income the amount of the CSM allocated to coverage units provided in the year. The number of coverage units is the quantity of services provided by the contracts in the group, determined by considering for each contract the quantity of benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

Loss components

The Company establishes a loss component of the liability for remaining coverage for onerous groups of reinsurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in statement of income as reversals of losses on onerous contracts and are excluded from reinsurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

The systematic basis is determined by the proportion of the loss component relative to the total estimate of the present value of the future cash outflows plus the risk adjustment for non- financial risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year).

Changes in fulfilment cash flows relating to future services are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

Reinsurance service expenses

Reinsurance service expenses arising from reinsurance contracts are recognised in statement of income generally as they are incurred. They exclude repayments of investment components and comprise the following items.

- Incurred claims and other reinsurance service expenses;
- Amortization of reinsurance acquisition cash flows. This is equal to the amount of reinsurance revenue recognised in the year that relates to recovering reinsurance acquisition cash flows.
- Losses on onerous contracts and reversals of such losses.
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.

Net expenses from retrocession contracts

Net expenses from retrocession contracts comprise an allocation of retrocession premiums paid less amounts recovered from retrocessionaire. The Company recognises an allocation of retrocession premiums paid in statement of income as it receives services under groups of retrocession contracts. The allocation of retrocession premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Company expects to pay consideration. For a group of retrocession contracts covering onerous underlying contracts, the Company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the retrocession contract covering those contracts is entered into before or at the same time as those contracts are recognized; and
- for changes in fulfilment cash flows of the group of retrocession contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in statement of income as reversals of recoveries of losses from the retrocession contracts and are excluded from the allocation of retrocession premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the retrocession contracts.

Reinsurance finance income and expenses

Reinsurance finance income and expenses comprise changes in the carrying amounts of groups of reinsurance and retrocession contracts arising from the effects of the time value of money, financial risk and changes therein.

(viii) Transition

The Company's transition approaches applied at the date of transition to IFRS 17 (1 January 2022) continue to impact a significant part of how the CSM balance as at 31 December 2024 and 31 December 2023 has been determined. The accounting policies for how the CSM on the date of transition was determined for groups measured applying the modified retrospective approach are summarised below.

- The Company compiled all actual cashflows up to the transition date and the projected cashflows estimated as at the transition date to arrive at the ultimate cash-flows used in estimating the initial recognition CSM or loss component and have then rolled it forward to the transition point to arrive at the transition CSM/LC.
- The Company used the factors determined for risk adjustment at the transition date to determine risk adjustment at the initial recognition date as well as at the transition date for all groups of contracts initiated prior to the transition date.
- The Company went as far back as 3 underwriting years to determine the locked-in discount rates.

Financial assets and financial liabilities

(i) Recognition and initial measurement

The Company recognizes deposits with financial institutions on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for a financial asset or financial liability not measured at FVIS, transaction costs that are directly attributable to its acquisition or issue.

Trade date accounting

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

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is either classified as measured at amortized cost, FVOCI or FVIS. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are Solely Payment of Principal and Interest (SPPI).

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVIS:

– it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
– its contractual terms give rise on specified dates to cash flows that are SPPI.

The Company elects to present changes in the fair value of certain equity investments that are not held for trading in OCI. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

Debt instruments

Classification and subsequent measurement of debt instruments depend on:

– the Company's business model for managing the financial assets; and
– the contractual cash flow characteristics of the financial assets.

The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are measured at FVIS.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and profit. In making this assessment, the Company considers whether the contractual cash flows are consistent with the financing agreement i.e. profit includes only consideration for the time value of resources, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVIS.

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

– Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and profit, and that are not designated at FVIS, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance. Profit income from these financial assets is included in 'Special commission income' using the effective profit method.
– Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and profit, and that are not designated at FVIS, are designated as fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, special commission income and foreign exchange gains and losses on the instrument's amortized cost which are recognized in the statement of income. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of income. Profit income from these financial assets is included in 'Special Commission Income' using the effective profit rate method.
– Fair value through statement of income (FVIS): Financial assets that are held for trading purpose or assets that do not meet the criteria for amortized cost or FVOCI are measured at FVIS. A gain or loss on a debt instrument that is subsequently measured at FVIS is presented in the statement of income in the period in which it arises.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. The Company will classify all equity investments at FVIS, except where the Company's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Company's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, transaction costs are made part of the cost at initial recognition and subsequent fair value gains and losses (unrealized) are recognized in OCI and are not subsequently reclassified to the statement of income, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in the statement of income as 'Dividend income' included in "Net income/(loss) from financial investments measured at FVIS" when the Company's right to receive payments is established.

Financial liabilities

The Company classifies its financial liabilities into one of the following categories:

- financial liabilities at FVIS, and:
- financial liabilities at amortized cost.

Financial liabilities at FVIS are measured at fair value. Net gains and losses, including any interest expenses and foreign exchange gains and losses, are recognized in the statement of income. Financial liabilities measured at amortized cost are measured under the effective profit method. Interest expenses and foreign exchange gains and losses are recognized in the statement of income. Any gain or loss on derecognition is also recognized in the statement of income.

(iii) Profit on financial instruments

Profit on financial instruments is recognized in the statement of income under the effective profit method. The effective profit rate is calculated on initial recognition of a financial instrument and is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation under the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The calculation of the effective profit rate includes transaction costs and fees paid or received that are an integral part of the effective profit rate. Transaction costs are incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

(iv) Impairment

The Company measures loss allowances at an amount equal to lifetime Expected Credit Losses (ECL), except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1' financial instruments. 12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Financial instruments for which lifetime ECL are recognized because of a significant increase in credit risk since initial recognition but that are not credit-impaired are referred to as 'Stage 2' financial instruments. Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument.

Financial instruments for which lifetime ECL are recognized and that are credit-impaired are referred to as 'Stage 3' financial instruments.

(v) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. On derecognition of a financial asset, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in the statement of income.

Financial liabilities

The Company generally derecognises a financial liability when its contractual obligations expire or are discharged or cancelled. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is the statement of income.

(vi) Cash and bank balances

Cash and cash equivalents comprise of cash in hand, cash at banks and restricted cash

(vii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when it is required or permitted by an accounting standard – e.g. gains and losses arising from a group of similar transactions such as the gains and losses on financial assets measured at FVTPL.

End of service benefits

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

Short term employee benefits

Short term employee benefits obligation are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or any other benefits if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Zakat

The Company is subject to Zakat in accordance with the regulations of the Zakat, Tax and Customs Authority (“ZATCA”). Zakat expense is charged to the statement of income. Zakat is not accounted for as income tax and as such no deferred tax is calculated relating to zakat.

Adjustments arising from the final zakat assessments are recorded in the period in which such assessments are made.

Withholding tax

The Company withholds taxes on certain transactions with non-resident parties in the Kingdom of Saudi Arabia as required under Saudi Arabian Income Tax Law. Withholding taxes paid on behalf of non-resident parties, which are not recoverable from such parties, are expensed.

Value Added Tax (VAT)

Output VAT related to revenue is payable to tax authorities on the earlier of:

(a) collection of receivables from customers or

(b) delivery of services to customers.

Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis.

VAT that is not recoverable is charged to statement of income as expense. Adjustments arising from the final VAT assessments are recorded in the period in which such assessments are made.

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Groups of reinsurance and retrocession contracts that generate cash flows in a foreign currency, including the CSM, are treated as monetary items.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognized in the statement of income.

Provisions

Provisions are recognized when the Company has an obligation (legal or constructive) as a result of past events, and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Special commission income

Special commission income is recognized on an effective yield basis taking account of the principal outstanding and the applicable special commission rate.

Dividend income

Dividend income is recognized when the right to receive payment is established, which is generally when shareholders approve the dividend.

Segmental reporting

The Company has identified its operating segments based on the internal reports reviewed by the Chief Operating Decision Maker (CODM) for performance evaluation and resource allocation. The CODM monitors the financial and operational performance of the Company at a more detailed level; however, for external reporting purposes, the Company has aggregated its operating segments into two reportable segments in accordance with the criteria set out in IFRS 8. The aggregation is based on similarities in economic characteristics and the nature of products. The reportable segments are as follows:

Reportable segment	Products and services
Property and Casualty (P&C)	These contracts provide coverage for property and casualty risks, including Engineering, Fire, Marine, General Accident, Specialty, IDI, Motor and other business segments (Whole Accounts, Aviation, Energy, Agriculture and Political Risk etc). These lines share common risk factors, pricing methodologies, and claims-handling processes, focusing on indemnifying insurers against property damage, liability risks, and financial losses.
Life and Health (L&H)	This segment includes Health and Life insurance business lines. These products provide coverage for personal well-being, healthcare expenses, and life protection.

The Company has changed its basis of segment reporting, therefore comparative segment information is restated so that it aligns with the segment information reported for the current year.

Contingencies and commitments

Contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognized because:

- (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are not recognized in the Consolidated Financial Statements and are disclosed, unless the probability of an outflow of resources embodying economic benefits is remote.

Commitments represent binding agreements of the Company to carry out specified courses of action involving in a transfer of cash or other asset to the respective counterparties.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company's Financial Statements requires the use of estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting year. Although these estimates and judgments are based on Management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date are discussed below:

(i) Fulfillment cash flows

Fulfillment cash flows comprise estimates of future cash flows, an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows, and a risk adjustment for non-financial risk.

Estimates of future cash flows

The best estimate liability (BEL) includes the best estimate of future cash flows, the effects of discounting and financial risks, and a LIC relating to past coverage on subsequent valuation dates. The Company's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. In estimating future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experiences, updated to reflect current expectations of future events.

When estimating future cash flows, the Company takes into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not taken into account until the change in legislation is substantively enacted.

Cash flows within the boundary of a contract relate directly to the fulfillment of the contract, including those for which the Company has discretion over the amount or timing. These include payments to (or on behalf of insurer), reinsurance acquisition cash flows and other costs that are incurred in fulfilling the contracts.

Reinsurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include claims handling, maintenance and administration costs.

Reinsurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads. Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts under methods that are systematic and rational and are consistently applied to all costs that have similar characteristics. The Company allocates reinsurance acquisition cash flows to groups of contracts based on the ultimate written premium for each contract, claims handling costs based on the claims, and maintenance and administration costs based on earned premium by contract within each group. Other costs are recognized in the statement of income as they are incurred

The Company estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Company applies the following principles:

- Where there is sufficient data, experience investigations are performed, with adjustments made or any trends as well as to account for external considerations and business strategy; or
- Where data is insufficient or lacks credibility, benchmarks and industry experience would be considered, with appropriate and justifiable adjustments.

The Company makes use of estimates that are current by ensuring that:

- Updates are made to assumptions such that they faithfully represent the conditions at the valuation date;
- The changes in estimates faithfully represent the changes in conditions during the period; and
- Future changes in legislation are not taken into account, unless they have been substantively enacted.

The Company makes use of the following assumptions to project the cash flows:

- Claims ratios and claims payment patterns;
- Expense ratios and expense payment patterns;
- Premium receipt patterns;
- Expected incidence of risk;
- Discount rates and;
- Measurement allocation assumptions, to the extent that there are differences between the modeling segmentation and the chosen level of aggregation.

The Company estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using a range of loss reserving techniques – e.g. the chain-ladder and Bornhuetter-Ferguson methods. These techniques assume that the Company's own claims experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately for each geographic area and line of business, except for large claims, which are assessed separately from other claims.

The assumptions used, including loss ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based, although judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

Risk adjustment for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the Company would require for bearing non-financial risk. The risk adjustments are allocated to groups of reinsurance contracts based on an analysis of the risk profiles of the groups. In determining the compensation that the issuing entity requires for bearing the non-financial risk of a group of contracts, the Company considers how the group of contracts affects its exposure to non-financial risk at an aggregate level arising from all reinsurance contracts that it has issued in the same risk pool.

The risk adjustment was calculated at the line of business level and then allocated down to each group of contracts in accordance with the inherent uncertainty within the future cash-flows for that group. The Cost of Capital (CoC) approach was used to derive the overall risk adjustment for non-financial risk. In the CoC method, the Company uses Insurance Authority's capital model to calculate the required capital, and then applied a 6% per annum cost of capital to obtain the line of business level risk adjustment. The resulting amount of the calculated risk adjustment corresponds to the confidence level 69%.

Discount rates

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the reinsurance contracts. The Company applies a bottom-up approach where a liquid risk-free yield curve is adjusted to reflect the differences between the liquidity characteristics of the financial instruments that underlie the rates observed in the market and the liquidity characteristics of the reinsurance contracts

Under this approach, the discount rate is determined as the risk-free yield adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an illiquidity premium). The yield curve will be derived from each currency's risk-free yield curve, plus illiquidity premium as follows:

- the currencies will have its own curve if the currencies current reserves is more than 1% of the total. The remaining will be grouped into the USD currency.

- the risk-free curves for each currency are local government or semi-government issued bonds denominated in local currency. This methodology is followed for all currencies with the exception of SAR and AED for which the curves are based on the USD adjusted with the country risk premium.
- illiquidity premium will be calculated and applied to all the yield curves and it is assumed 0.5% based on the illiquidity premium using EIOPA's volatility adjustment.

	31 December 2024				31 December 2023			
	1 year	5 years	10 years	15 years	1 year	5 years	10 years	15 years
SAR	5.74%	4.99%	5.23%	5.33%	6.12%	4.71%	5.09%	5.15%
GBP	4.88%	4.09%	4.46%	4.68%	5.69%	4.13%	4.52%	4.61%
AED	5.46%	4.71%	4.95%	5.05%	6.12%	4.71%	5.09%	5.15%
INR	7.01%	6.67%	6.44%	6.25%	7.73%	7.96%	8.05%	7.31%
KRW	3.08%	2.80%	2.87%	2.47%	4.24%	3.89%	4.05%	3.79%

(ii) Contractual service margin

The CSM of a group of contracts is recognized in the statement of income to reflect services provided in each year based on the number of coverage units provided in the year, which is determined by considering for each contract the quantity of the benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

(iii) Measurement of the expected credit loss allowance

Assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of Expected Credit Losses ("ECL") requires the use of complex models and significant assumptions about future economic conditions and credit behavior. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held).

A number of factors are also considered in applying the accounting requirements for measuring ECL, such as:

- determining the criteria for significant increase in credit risk;
- determining the criteria and definition of default;
- choosing appropriate models and assumptions for the measurement of ECL; and
- establishing groups of similar financial assets for the purposes of measuring ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

In the process of applying the Company's accounting policies, Management has made the following judgments, apart from those involving estimations, which have the most significant effect in the amounts recognized in the Financial Statements.

(iv) Classification of investments

Management decides on acquisition of an investment whether it should be classified as investments carried at fair value or amortized cost on the basis of both:

- its business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

For equity investments carried at fair value, Management decides whether it should be classified as financial assets carried at fair value through other comprehensive income (FVOCI) or fair value through statement of income (FVIS). Investments in equity instruments are classified and measured at FVIS except if the equity investment is not held for trading and is designated by the Company at FVOCI.

Further, even if the asset meets the amortized cost criteria the Company may choose at initial recognition to designate the financial asset as at FVIS if doing so eliminates or significantly reduces an accounting mismatch. For debt securities acquired to match its business model of development of the line of business, the Company classifies these investments as financial assets at fair value through other comprehensive income.

(v) Level of aggregation

Judgment is involved in the identification of portfolios of contracts, as required by paragraph 14 of IFRS 17 (that is, having similar risks and being managed together). Aggregation of insurance contracts issued on initial recognition into groups of onerous contracts, groups of contracts with no significant possibility of becoming onerous, and groups of other contracts. Similar grouping assessment is required for retrocession contracts held. Areas of potential judgments include:

- the determination of contract sets within portfolios and whether the Company has reasonable and supportable information to conclude that all contracts within a set would fall into the same group; and
- judgments might be applied on initial recognition to distinguish between non-onerous contracts (those having no significant possibility of becoming onerous) and other contracts.

For contracts measured under the GMM, the assessment of the likelihood of adverse changes in assumptions that might result in contracts becoming onerous is an area of potential judgment.

(vi) Contract boundary

The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Company's substantive rights and obligations under the contract.

The Company determines that the cash flows related to future renewals of these contracts are outside the contract boundary. This is because the premium charged for each year reflects the Company's expectation of its exposure to risk for that year and, on renewal, the Company can reprice the premium to reflect the reassessed risks for the next year based on claims experience and expectations for the respective portfolio. Any renewal of the contract is treated as a new contract and is recognised, separately from the initial contract, when the recognition criteria are met.

5 CASH AND BANK BALANCES

	Note	31 December 2024 ⃁	31 December 2023 ⃁
Cash in hand		**40,290**	39,410
Bank balances		**66,692,761**	83,939,732
Bank balance – restricted	12	**6,731,869**	3,925,860
Total cash and bank balances		**73,464,920**	87,905,002
Less: Bank balance – restricted	12	**(6,731,869)**	(3,925,860)
Total cash and cash equivalents in the statement of cash flows		**66,733,051**	83,979,142

Bank balances and cash includes call account balance of ⃁ 5.09 million (2023: ⃁ 0.2 million). Cash at banks are placed with counterparties which have credit ratings of BBB+ and above under Standard and Poor's and Moody’s ratings methodology. Cash and bank balances are stated net of expected credit losses amounting to ⃁ 702 (2023: ⃁ 702).

6 FINANCIAL INVESTMENTS

i. Financial investments held by the Company consist of the following as at:

	31 December 2024 ⃁	31 December 2023 ⃁
Held at FVIS		
Financial investments mandatorily measured at FVIS		
Money market funds	**86,193,233**	146,156,801
Investment funds	**7,607,587**	8,299,185
Equity securities	**1,023,846**	–
	94,824,666	154,455,986
Held at FVOCI		
Financial investments designated at FVOCI		
Tier 1 sukuk	**285,914,854**	141,632,674
	285,914,854	141,632,674
Held at amortized cost		
Time deposits	**985,306,792**	888,894,412
Debt securities	**932,747,624**	241,478,489
Expected credit losses	**(1,846,299)**	(3,042,885)
	1,916,208,117	1,127,330,016
Total financial investments	**2,296,947,637**	1,423,418,676

Time deposits are placed with banks which have credit ratings of BBB and above as per the Moody's ratings methodology. Such deposits earn special commission at an average effective commission rate of 5.44% (2023: 5.21%) per annum and have terms of 3 – 5 years (2023: 3 – 5 years).

Debt securities are placed with counterparties having sound rating. Such securities earn special commission at an average effective commission rate of 4.63% (2023: 5.99%) per annum and have term of 4 – 10 years (2023: 4 – 10 years).

ii. Movement in expected credit losses for financial investments held at amortized cost is as follows:

	31 December 2024 (⃁)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance at the beginning of the year	**2,417,389**	**–**	**625,496**	**3,042,885**
Reversal during the year	**(1,192,648)**	**–**	**(3,938)**	**(1,196,586)**
	1,224,741	**–**	**621,558**	**1,846,299**

	31 December 2023 (⃁)			
	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of the year	1,697,733	–	1,237,711	2,935,444
Charge/(reversal) during the year	719,656	–	(612,215)	107,441
	2,417,389	–	625,496	3,042,885

The value of investments classified at Stage 1 and Stage 3 amounts to ⃁ 1,916,457,171 and ⃁ 1,597,245 respectively (2023: Stage 1 – ⃁ 1,128,895,377 Stage 3 – ⃁ 1,477,524).

iii. The movement of financial investments is as follows:

	31 December 2024 (⃁)			
	FVIS	**FVOCI**	**Amortized cost**	**Total**
Opening balance	**154,455,986**	**141,632,674**	**1,127,330,016**	**1,423,418,676**
Additions	**1,046,778,424**	**138,737,500**	**2,225,861,361**	**3,411,377,285**
Disposals/maturity	**(1,122,349,259)**	**–**	**(1,445,835,854)**	**(2,568,185,113)**
Unrealized (losses)/gains	**(7,410)**	**1,559,726**	**–**	**1,552,316**
Realized gains	**15,946,925**	**–**	**–**	**15,946,925**
Accrued profit	**–**	**3,984,954**	**5,435,683**	**9,420,637**
Amortization of discount/(premium), net	**–**	**–**	**2,220,325**	**2,220,325**
Expected credit losses	**–**	**–**	**1,196,586**	**1,196,586**
Closing balance	**94,824,666**	**285,914,854**	**1,916,208,117**	**2,296,947,637**

	31 December 2023 (⃁)			
	FVIS	FVOCI	Amortized cost	Total
Opening balance	272,653,544	119,921,195	1,030,133,715	1,422,708,454
Additions	273,799,473	21,000,000	214,672,255	509,471,728
Disposals/maturity	(396,850,320)	–	(126,765,889)	(523,616,209)
Unrealized gains	4,871,961	711,479	–	5,583,440
Realized losses	(18,672)	–	–	(18,672)
Accrued profit	–	–	7,510,884	7,510,884
Amortization of discount/(premium), net	–	–	1,886,492	1,886,492
Expected credit losses	–	–	(107,441)	(107,441)
Closing balance	154,455,986	141,632,674	1,127,330,016	1,423,418,676

7 REINSURANCE AND RETROCESSION CONTRACTS

	Property and Casualty (P&C) ⃁	Life and Health (L&H) ⃁	Total ⃁
31 December 2024			
Reinsurance contracts			
Reinsurance contract assets	**(90,813,930)**	**(1,314,550)**	**(92,128,480)**
Reinsurance contract liabilities	**1,559,745,794**	**25,396,015**	**1,585,141,809**
Reinsurance contract balances	**1,468,931,864**	**24,081,465**	**1,493,013,329**
Retrocession contracts			
Retrocession contract assets	**(627,927,506)**	**–**	**(627,927,506)**
Retrocession contract liabilities	**16,875,358**	**56,662**	**16,932,020**
Retrocession contract balances	**(611,052,148)**	**56,662**	**(610,995,486)**
31 December 2023			
Reinsurance contracts			
Reinsurance contract assets	(76,376,550)	(1,450,737)	(77,827,287)
Reinsurance contract liabilities	1,185,084,289	29,710,285	1,214,794,574
Reinsurance contract balances	1,108,707,739	28,259,548	1,136,967,287
Retrocession contracts			
Retrocession contract assets	(439,593,167)	–	(439,593,167)
Retrocession contract liabilities	–	189,653	189,653
Retrocession contract balances	(439,593,167)	189,653	(439,403,514)

A. Movements in reinsurance and retrocession contract balances

Description	Reinsurance contracts ⃁	Description	Retrocession contracts ⃁
Net opening balance	1,108,133,966	Net opening balance	(439,403,514)
Premiums, net of ceding commission, received	1,057,218,587	Premiums, net of ceding commissions, paid	(217,325,857)
Claims and other reinsurance service expenses paid	(562,679,628)	Recoveries from retrocession	58,219,821
Reinsurance acquisition cash flows	(58,206,573)	Retrocession expenses	(388,563)
Reinsurance revenue	(1,129,966,260)	Retrocession finance income	(12,097,373)
Reinsurance service expenses	987,822,423		
Reinsurance finance expenses	49,526,270		
	1,451,848,785		
Accumulated surplus	41,164,544		
Net closing balance	1,493,013,329	**Net closing balance**	(610,995,486)

The following reconciliations show how the net carrying amounts of reinsurance and retrocession contracts in each segment changed during the year as a result of cash flows and amounts recognized in the statement of income.

For each segment, the Company presents a table that separately analyses movements in the liabilities for remaining coverage and movements in the liabilities for incurred claims and reconciles these movements to the line items in the statement of income.

A second reconciliation is presented, which separately analyses changes in the estimates of the present value of future cash flows, the risk adjustment for non-financial risk and the CSM.

Reinsurance contracts

Analysis by remaining coverage and incurred claims

	31 December 2024 (⃁)				
	Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts					
Opening liabilities	253,793,869	44,374,389	850,084,867	37,708,128	1,185,961,253
Opening assets	1,848,498	172,580	(90,153,447)	10,305,082	(77,827,287)
Net opening balance	255,642,367	44,546,969	759,931,420	48,013,210	1,108,133,966
Accumulated surplus	–	–	28,833,321	–	28,833,321
Total reinsurance contract liabilities	253,793,869	44,374,389	878,918,188	37,708,128	1,214,794,574
Changes in the statement of income					
Reinsurance revenue					
Contracts measured under modified retrospective approach	(12,593,200)	–	–	–	(12,593,200)
Other contracts	(1,117,373,060)	–	–	–	(1,117,373,060)
	(1,129,966,260)	–	–	–	(1,129,966,260)
Reinsurance service expenses					
Incurred claims and other reinsurance service expenses	–	(146,266,712)	1,060,378,983	31,394,073	945,506,344
Amortisation of insurance acquisition cash flows	39,353,473	–	–	–	39,353,473
Losses and reversals of losses on onerous contracts, net	–	113,272,897	–	–	113,272,897
Adjustments to liabilities for incurred claims	–	–	(104,987,987)	(5,322,304)	(110,310,291)
	39,353,473	(32,993,815)	955,390,996	26,071,769	987,822,423
Investment components	(5,007,017)	–	5,007,017	–	–
Reinsurance service result – Gross	(1,095,619,804)	(32,993,815)	960,398,013	26,071,769	(142,143,837)
Net finance (income)/expenses from reinsurance contracts	(17,786,717)	8,808,368	70,551,741	–	61,573,392
Effect of movement in exchange rates	(124,935)	–	(11,922,187)	–	(12,047,122)
Total changes in the statement of income	(1,113,531,456)	(24,185,447)	1,019,027,567	26,071,769	(92,617,567)

31 December 2023 (⃁)				
Liabilities (assets) for remaining coverage		Liabilities (assets) for incurred claims		Total
Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
(175,496,477)	19,110,094	947,721,463	35,925,934	827,261,014
(39,568,941)	291,869	(71,535,311)	5,775,828	(105,036,555)
(215,065,418)	19,401,963	876,186,152	41,701,762	722,224,459
–	–	18,908,904	–	18,908,904
(175,496,477)	19,110,094	966,630,367	35,925,934	846,169,918
11,320,690	–	–	–	11,320,690
(638,507,715)	–	–	–	(638,507,715)
(627,187,025)	–	–	–	(627,187,025)
–	(115,485,691)	694,257,373	32,434,288	611,205,970
14,903,173	–	–	–	14,903,173
–	132,877,334	–	–	132,877,334
–	–	(223,102,401)	(26,109,797)	(249,212,198)
14,903,173	17,391,643	471,154,972	6,324,491	509,774,279
(2,938,923)	–	2,938,923	–	–
(615,222,775)	17,391,643	474,093,895	6,324,491	(117,412,746)
(19,442,938)	7,753,363	70,777,424	–	59,087,849
890,518	–	(5,114,775)	(13,043)	(4,237,300)
(633,775,195)	25,145,006	539,756,544	6,311,448	(62,562,197)

	31 December 2024 (⃁)				
	Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Cash flows					
Premiums, net of ceding commission, received	670,915,843	–	386,302,744	–	1,057,218,587
Claims and other reinsurance service expenses paid	–	–	(562,679,628)	–	(562,679,628)
Reinsurance acquisition cash flows	(58,206,573)	–	–	–	(58,206,573)
	612,709,270	–	(176,376,884)	–	436,332,386
Premiums expected to be received transferred from the LRC to LIC	597,312,520	–	(597,312,520)	–	–
Net closing balance	352,132,701	20,361,522	1,005,269,583	74,084,979	1,451,848,785
Closing liabilities	350,007,362	19,321,326	1,111,678,075	62,970,502	1,543,977,265
Closing assets	2,125,339	1,040,196	(106,408,492)	11,114,477	(92,128,480)
Net closing balance	352,132,701	20,361,522	1,005,269,583	74,084,979	1,451,848,785
Accumulated surplus	–	–	41,164,544	–	41,164,544
Total reinsurance contract liabilities	350,007,362	19,321,326	1,152,842,619	62,970,502	1,585,141,809

Reinsurance contracts

Analysis by measurement component

	31 December 2024 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Reinsurance contracts				
Opening liabilities	808,844,285	80,710,190	296,406,778	1,185,961,253
Opening assets	(98,972,208)	14,587,505	6,557,416	(77,827,287)
Net opening balance	709,872,077	95,297,695	302,964,194	1,108,133,966
Accumulated surplus	28,833,321	–	–	28,833,321
Total reinsurance contract liabilities	837,677,606	80,710,190	296,406,778	1,214,794,574
Changes in the statement of income				
Changes that relate to current services				
CSM recognized for the services provided	–	–	(228,429,834)	(228,429,834)
Change in the risk adjustment for non-financial risk for the risk expired	–	17,346,664	–	17,346,664
Experience adjustments	65,976,727	–	–	65,976,727

	31 December 2023 (⃁)				
	Liabilities (assets) for remaining coverage		Liabilities (assets) for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
	653,572,022	–	485,633,640	–	1,139,205,662
	–	–	(671,010,836)	–	(671,010,836)
	(19,723,122)	–	–	–	(19,723,122)
	633,848,900	–	(185,377,196)	–	448,471,704
	470,634,080	–	(470,634,080)	–	–
	255,642,367	44,546,969	759,931,420	48,013,210	1,108,133,966
	253,793,869	44,374,389	850,084,867	37,708,128	1,185,961,253
	1,848,498	172,580	(90,153,447)	10,305,082	(77,827,287)
	255,642,367	44,546,969	759,931,420	48,013,210	1,108,133,966
	–	–	28,833,321	–	28,833,321
	253,793,869	44,374,389	878,918,188	37,708,128	1,214,794,574

	31 December 2023 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	713,073,293	40,850,546	73,337,175	827,261,014
	(270,723,173)	26,301,735	139,384,883	(105,036,555)
	442,350,120	67,152,281	212,722,058	722,224,459
	18,908,904	–	–	18,908,904
	731,982,197	40,850,546	73,337,175	846,169,918
	–	–	(209,961,060)	(209,961,060)
	–	32,194,317	–	32,194,317
	176,688,861	–	–	176,688,861

	31 December 2024 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Changes that relate to future services				
Contracts initially recognized in the period	(324,545,596)	52,924,007	403,935,004	132,313,415
Changes in estimates that adjust the CSM	(12,348,643)	(19,291,388)	31,640,031	–
Changes in estimates that result in losses and reversals of losses on onerous contracts, net	(16,667,732)	(2,372,786)	–	(19,040,518)
Changes that relate to past services				
Adjustments to liabilities for incurred claims	(104,987,987)	(5,322,304)	–	(110,310,291)
Reinsurance service result – Gross	(392,573,231)	43,284,193	207,145,201	(142,143,837)
Net finance expenses from reinsurance contracts	22,625,111	–	38,948,281	61,573,392
Effect of movement in exchange rates	(12,047,122)	–	–	(12,047,122)
Total changes in the statement of income	(381,995,242)	43,284,193	246,093,482	(92,617,567)
Cash flows				
Premiums, net of ceding commission, received	1,057,218,587	–	–	1,057,218,587
Claims and other reinsurance service expenses paid	(562,679,628)	–	–	(562,679,628)
Reinsurance acquisition cash flows	(58,206,573)	–	–	(58,206,573)
	436,332,386	–	–	436,332,386
Net closing balance	764,209,221	138,581,888	549,057,676	1,451,848,785
Closing liabilities	924,498,633	117,962,941	501,515,691	1,543,977,265
Closing assets	(160,289,412)	20,618,947	47,541,985	(92,128,480)
Net closing balance	764,209,221	138,581,888	549,057,676	1,451,848,785
Accumulated surplus	41,164,544	–	–	41,164,544
Total reinsurance contract liabilities	965,663,177	117,962,941	501,515,691	1,585,141,809

	31 December 2023 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	(196,223,920)	39,722,616	281,918,379	125,417,075
	16,714,281	(12,133,623)	(4,580,658)	–
	13,198,916	(5,738,657)	–	7,460,259
	(223,102,401)	(26,109,797)	–	(249,212,198)
	(212,724,263)	27,934,856	67,376,661	(117,412,746)
	36,053,179	169,195	22,865,475	59,087,849
	(4,278,663)	41,363	–	(4,237,300)
	(180,949,747)	28,145,414	90,242,136	(62,562,197)
	1,139,205,662	–	–	1,139,205,662
	(671,010,836)	–	–	(671,010,836)
	(19,723,122)	–	–	(19,723,122)
	448,471,704	–	–	448,471,704
	709,872,077	95,297,695	302,964,194	1,108,133,966
	808,844,285	80,710,190	296,406,778	1,185,961,253
	(98,972,208)	14,587,505	6,557,416	(77,827,287)
	709,872,077	95,297,695	302,964,194	1,108,133,966
	28,833,321	–	–	28,833,321
	837,677,606	80,710,190	296,406,778	1,214,794,574

Retrocession contracts

Analysis by remaining coverage and incurred claims

	31 December 2024 (⃁)				
	(Assets)/liabilities for remaining coverage		(Assets)/liabilities for incurred claims		Total
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Retrocession contracts					
Opening assets	(189,148,319)	(3,223,310)	(236,418,979)	(10,802,559)	(439,593,167)
Opening liabilities	1,308	(5,562)	194,568	(661)	189,653
Net opening balance	(189,147,011)	(3,228,872)	(236,224,411)	(10,803,220)	(439,403,514)
Allocation of retrocession premiums paid	206,776,524	–	–	–	206,776,524
Income on initial recognition of onerous underlying reinsurance contracts	–	(4,354,901)	–	–	(4,354,901)
Amounts recoverable from retrocessionaires					
Recoveries of incurred claims and other reinsurance services	–	–	(264,754,866)	(11,783,489)	(276,538,355)
Recoveries and reversals of recoveries of losses on onerous underlying contracts, net	–	6,316,388	–	–	6,316,388
Adjustments to assets for incurred claims	–	–	63,298,929	5,331,760	68,630,689
	–	6,316,388	(201,455,937)	(6,451,729)	(201,591,278)
Changes that relate to future service	–	617,969	–	–	617,969
Effect of changes in the risk of retrocessionaires' non-performance	(1,415,409)	–	(421,468)	–	(1,836,877)
Net expenses/(income) from retrocession contracts	205,361,115	2,579,456	(201,877,405)	(6,451,730)	(388,563)
Net finance income from retrocession contracts	(132,967)	(361,221)	(11,435,149)	–	(11,929,337)
Effect of movement in exchange rates	–	–	(168,036)	–	(168,036)
Total changes in the statement of income	205,228,148	2,218,235	(213,480,590)	(6,451,729)	(12,485,936)
Cash flows					
Premiums, net of ceding commissions, paid	(219,035,532)	–	1,709,675	–	(217,325,857)
Recoveries from retrocession	–	–	58,219,821	–	58,219,821
	(219,035,532)	–	59,929,496	–	(159,106,036)
Premiums expected to be received transferred from the ARC to AIC	(76,502,419)	–	76,502,419	–	–
Net closing balance	(279,456,814)	(1,010,637)	(313,273,086)	(17,254,949)	(610,995,486)
Closing contract assets	(278,418,827)	(859,277)	(332,370,171)	(16,279,231)	(627,927,506)
Closing contract liabilities	(1,037,987)	(151,360)	19,097,085	(975,718)	16,932,020
Net closing balance	(279,456,814)	(1,010,637)	(313,273,086)	(17,254,949)	(610,995,486)

31 December 2023 (⃁)				
(Assets)/liabilities for remaining coverage		(Assets)/liabilities for incurred claims		Total
Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
13,672,811	(956,953)	(187,474,023)	(14,487,910)	(189,246,075)
12,543,677	(363)	(348,604)	(38,966)	12,155,744
26,216,488	(957,316)	(187,822,627)	(14,526,876)	(177,090,331)
46,381,246	–	–	–	46,381,246
–	(31,225,567)	–	–	(31,225,567)
–	–	(96,997,107)	(6,584,836)	(103,581,943)
–	27,831,384	–	–	27,831,384
–	–	43,537,212	10,307,002	53,844,214
–	27,831,384	(53,459,895)	3,722,166	(21,906,345)
–	2,992,434	–	–	2,992,434
1,171,969	–	236,763	–	1,408,732
47,553,215	(401,749)	(53,223,132)	3,722,166	(2,349,500)
(8,465,666)	(1,869,807)	(9,867,708)	–	(20,203,181)
–	–	(23,212)	1,490	(21,722)
39,087,549	(2,271,556)	(63,114,052)	3,723,656	(22,574,403)
(235,853,084)	–	(120,543,024)	–	(356,396,108)
–	–	116,657,328	–	116,657,328
(235,853,084)	–	(3,885,696)	–	(239,738,780)
(18,597,964)	–	18,597,964	–	–
(189,147,011)	(3,228,872)	(236,224,411)	(10,803,220)	(439,403,514)
(189,148,319)	(3,223,310)	(236,418,979)	(10,802,559)	(439,593,167)
1,308	(5,562)	194,568	(661)	189,653
(189,147,011)	(3,228,872)	(236,224,411)	(10,803,220)	(439,403,514)

Retrocession contracts

Analysis by measurement component

	31 December 2024 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Retrocession contracts				
Opening assets	(183,058,050)	(45,507,807)	(211,027,310)	(439,593,167)
Opening liabilities	194,569	(661)	(4,255)	189,653
Net opening balance	(182,863,481)	(45,508,468)	(211,031,565)	(439,403,514)
Changes in the statement of income				
Changes that relate to current services				
CSM recognised for the services received	–	–	80,312,980	80,312,980
Change in the risk adjustment for non-financial risk for the risk expired	–	(9,805,033)	–	(9,805,033)
Experience adjustments	(133,953,390)	–	–	(133,953,390)
Changes that relate to future services				
Contracts initially recognised in the period	216,652,478	(18,876,386)	(202,130,993)	(4,354,901)
Changes in recoveries of losses on onerous contracts that adjust the CSM	(13,626,745)	(2,737,320)	16,364,065	–
Changes in estimates that adjust the CSM	63,091,646	(108,230)	(62,983,416)	–
Changes in estimates that relate to losses and reversals of losses on onerous underlying reinsurance contracts, net	(16,043,140)	13,380,756	3,280,353	617,969
Changes that relate to past services				
Adjustments to liabilities for incurred claims	63,298,929	5,331,760	–	68,630,689
Effect of changes in the risk of reinsurers non-performance	(1,836,877)	–	–	(1,836,877)
Net expenses/(income) from retrocession contracts	177,582,901	(12,814,453)	(165,157,011)	(388,563)
Net finance (income)/expense from retrocession contracts	9,172,576	–	(21,101,913)	(11,929,337)
Effect of movement in exchange rates	(168,036)	–	–	(168,036)
Total changes in the statement of income	186,587,441	(12,814,453)	(186,258,924)	(12,485,936)

31 December 2023 (⃁)			
Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
(146,685,358)	(16,051,471)	(26,509,246)	(189,246,075)
134,826,431	(18,342,148)	(104,328,539)	12,155,744
(11,858,927)	(34,393,619)	(130,837,785)	(177,090,331)
–	–	64,089,644	64,089,644
–	(6,396,785)	–	(6,396,785)
(87,062,172)	–	–	(87,062,172)
134,830,713	(18,425,100)	(147,631,180)	(31,225,567)
1,909,909	(1,280,204)	(629,705)	–
152,761,320	(707,872)	(152,053,448)	–
(170,568,163)	5,386,620	168,173,977	2,992,434
43,537,212	10,307,002	–	53,844,214
1,408,732	–	–	1,408,732
76,817,551	(11,116,339)	(68,050,712)	(2,349,500)
(8,060,113)	–	(12,143,068)	(20,203,181)
(23,212)	1,490	–	(21,722)
68,734,226	(11,114,849)	(80,193,780)	(22,574,403)

	31 December 2024 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Cash flows				
Premiums, net of ceding commissions, paid	(217,325,857)	–	–	(217,325,857)
Recoveries from retrocession	58,219,821	–	–	58,219,821
	(159,106,036)	–	–	(159,106,036)
Net closing balance	(155,382,076)	(58,322,921)	(397,290,489)	(610,995,486)
Closing assets	(225,220,930)	(53,908,745)	(348,797,831)	(627,927,506)
Closing liabilities	69,838,854	(4,414,176)	(48,492,658)	16,932,020
Net closing balance	(155,382,076)	(58,322,921)	(397,290,489)	(610,995,486)

i. Property and Casualty

Reinsurance contracts

Analysis by remaining coverage and incurred claims

	31 December 2024 (⃁)				
	Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts					
Opening liabilities	254,556,850	42,651,716	823,023,164	36,019,238	1,156,250,968
Opening assets	1,841,169	172,580	(88,616,141)	10,225,842	(76,376,550)
Net opening balance	256,398,019	42,824,296	734,407,023	46,245,080	1,079,874,418
Accumulated surplus	–	–	28,833,321	–	28,833,321
Total reinsurance contract liabilities	254,556,850	42,651,716	851,856,485	36,019,238	1,185,084,289
Changes in the statement of income					
Reinsurance revenue					
Contracts measured under modified retrospective approach	(12,581,271)	–	–	–	(12,581,271)
Other contracts	(1,069,186,833)	–	–	–	(1,069,186,833)
	(1,081,768,104)	–	–	–	(1,081,768,104)

	31 December 2023 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	(356,396,108)	–	–	(356,396,108)
	116,657,328	–	–	116,657,328
	(239,738,780)	–	–	(239,738,780)
	(182,863,481)	(45,508,468)	(211,031,565)	(439,403,514)
	(183,058,050)	(45,507,807)	(211,027,310)	(439,593,167)
	194,569	(661)	(4,255)	189,653
	(182,863,481)	(45,508,468)	(211,031,565)	(439,403,514)

	31 December 2023 (⃁)				
	Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
	(164,756,958)	19,037,558	834,754,948	33,269,141	722,304,689
	(34,023,222)	291,820	(67,686,760)	5,539,300	(95,878,862)
	(198,780,180)	19,329,378	767,068,188	38,808,441	626,425,827
	–	–	18,908,904	–	18,908,904
	(164,756,958)	19,037,558	853,663,852	33,269,141	741,213,593
	5,842,619	–	–	–	5,842,619
	(610,128,945)	–	–	–	(610,128,945)
	(604,286,326)	–	–	–	(604,286,326)

	31 December 2024 (⃁)				
	Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance service expenses					
Incurred claims and other reinsurance service expenses	–	(144,304,122)	1,021,761,538	30,713,719	908,171,135
Amortisation of insurance acquisition cash flows	36,984,305	–	–	–	36,984,305
Losses and reversals of losses on onerous contracts, net	–	112,871,048	–	–	112,871,048
Adjustments to liabilities for incurred claims	–	–	(101,688,148)	(5,005,495)	(106,693,643)
	36,984,305	(31,433,074)	920,073,390	25,708,224	951,332,845
Investment components	(5,003,127)	–	5,003,127	–	–
Reinsurance service result – Gross	(1,049,786,926)	(31,433,074)	925,076,517	25,708,224	(130,435,259)
Net finance (income)/expenses from reinsurance contracts	(15,519,634)	8,543,995	65,711,120	–	58,735,481
Effect of movement in exchange rates	(119,093)	–	(12,083,817)	–	(12,202,910)
Total changes in the statement of income	(1,065,425,653)	(22,889,079)	978,703,820	25,708,224	(83,902,688)
Cash flows					
Premiums, net of ceding commission, received	653,829,841	–	367,465,042	–	1,021,294,883
Claims and other reinsurance service expenses paid	–	–	(533,736,530)	–	(533,736,530)
Reinsurance acquisition cash flows	(55,762,763)	–	–	–	(55,762,763)
	598,067,078	–	(166,271,488)	–	431,795,590
Premiums expected to be received transferred from the LRC to LIC	563,389,155	–	(563,389,155)	–	–
Net closing balance	352,428,599	19,935,217	983,450,200	71,953,304	1,427,767,320
Closing liabilities	350,137,951	19,092,641	1,088,399,656	60,951,002	1,518,581,250
Closing assets	2,290,648	842,576	(104,949,456)	11,002,302	(90,813,930)
Net closing balance	352,428,599	19,935,217	983,450,200	71,953,304	1,427,767,320
Accumulated surplus	–	–	41,164,544	–	41,164,544
Total reinsurance contract liabilities	350,137,951	19,092,641	1,129,564,200	60,951,002	1,559,745,794

	31 December 2023 (⃁)				
	Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
	–	(114,847,294)	658,998,963	31,524,628	575,676,297
	13,249,987	–	–	–	13,249,987
	–	130,670,304	–	–	130,670,304
	–	–	(200,169,918)	(24,087,840)	(224,257,758)
	13,249,987	15,823,010	458,829,045	7,436,788	495,338,830
	(2,936,560)	–	2,936,560	–	–
	(593,972,898)	15,823,010	461,765,605	7,436,788	(108,947,495)
	(14,878,775)	7,671,908	62,272,417	–	55,065,550
	781,706	–	(4,587,713)	(149)	(3,806,156)
	(608,069,967)	23,494,918	519,450,309	7,436,639	(57,688,101)
	637,969,450	–	418,322,491	–	1,056,291,941
	–	–	(527,441,578)	–	(527,441,578)
	(17,713,671)	–	–	–	(17,713,671)
	620,255,779	–	(109,119,087)	–	511,136,692
	442,992,387	–	(442,992,387)	–	–
	256,398,019	42,824,296	734,407,023	46,245,080	1,079,874,418
	254,556,850	42,651,716	823,023,164	36,019,238	1,156,250,968
	1,841,169	172,580	(88,616,141)	10,225,842	(76,376,550)
	256,398,019	42,824,296	734,407,023	46,245,080	1,079,874,418
	–	–	28,833,321	–	28,833,321
	254,556,850	42,651,716	851,856,485	36,019,238	1,185,084,289

NOTES TO THE FINANCIAL STATEMENTS

Reinsurance contracts

Analysis by measurement component

	31 December 2024 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Reinsurance contracts				
Opening liabilities	781,569,894	78,610,148	296,070,926	1,156,250,968
Opening assets	(97,391,594)	14,508,006	6,507,038	(76,376,550)
Net opening balance	684,178,300	93,118,154	302,577,964	1,079,874,418
Accumulated surplus	28,833,321	–	–	28,833,321
Total reinsurance contract liabilities	810,403,215	78,610,148	296,070,926	1,185,084,289
Changes in the statement of income				
Changes that relate to current services				
CSM recognised for the services provided	–	–	(225,625,241)	(225,625,241)
Change in the risk adjustment for non-financial risk for the risk expired	–	17,195,426	–	17,195,426
Experience adjustments	71,817,151	–	–	71,817,151
Changes that relate to future services				
Contracts initially recognized in the period	(320,190,476)	52,086,645	400,378,472	132,274,641
Changes in estimates that adjust the CSM	(13,150,730)	(18,931,212)	32,081,942	–
Changes in estimates that result in losses and reversals of losses on onerous contracts, net	(17,058,753)	(2,344,840)	–	(19,403,593)
Changes that relate to past services				
Adjustments to liabilities for incurred claims	(101,688,148)	(5,005,495)	–	(106,693,643)
Reinsurance service result – Gross	(380,270,956)	43,000,524	206,835,173	(130,435,259)
Net finance expenses/(income) from reinsurance contracts	20,023,942	–	38,711,539	58,735,481
Effect of movement in exchange rates	(12,202,910)	–	–	(12,202,910)
Total changes in the statement of income	(372,449,924)	43,000,524	245,546,712	(83,902,688)
Cash flows				
Premiums, net of ceding commission, received	1,021,294,883	–	–	1,021,294,883
Claims and other reinsurance service expenses paid	(533,736,530)	–	–	(533,736,530)
Reinsurance acquisition cash flows	(55,762,763)	–	–	(55,762,763)
	431,795,590	–	–	431,795,590
Net closing balance	743,523,966	136,118,678	548,124,676	1,427,767,320
Closing liabilities	902,329,047	115,639,897	500,612,306	1,518,581,250
Closing assets	(158,805,081)	20,478,781	47,512,370	(90,813,930)
Net closing balance	743,523,966	136,118,678	548,124,676	1,427,767,320
Accumulated surplus	41,164,544	–	–	41,164,544
Total reinsurance contract liabilities	943,493,591	115,639,897	500,612,306	1,559,745,794

	31 December 2023 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	611,362,946	38,077,624	72,864,119	722,304,689
	(259,931,740)	26,050,453	138,002,425	(95,878,862)
	351,431,206	64,128,077	210,866,544	626,425,827
	18,908,904	–	–	18,908,904
	630,271,850	38,077,624	72,864,119	741,213,593
	–	–	(207,941,383)	(207,941,383)
	–	31,357,483	–	31,357,483
	161,223,859	–	–	161,223,859
	(194,495,397)	38,605,324	280,238,566	124,348,493
	14,936,960	(11,635,176)	(3,301,784)	–
	11,793,255	(5,471,444)	–	6,321,811
	(200,169,919)	(24,087,839)	–	(224,257,758)
	(206,711,242)	28,768,348	68,995,399	(108,947,495)
	32,187,286	162,243	22,716,021	55,065,550
	(3,865,642)	59,486	–	(3,806,156)
	(178,389,598)	28,990,077	91,711,420	(57,688,101)
	1,056,291,941	–	–	1,056,291,941
	(527,441,578)	–	–	(527,441,578)
	(17,713,671)	–	–	(17,713,671)
	511,136,692	–	–	511,136,692
	684,178,300	93,118,154	302,577,964	1,079,874,418
	781,569,894	78,610,148	296,070,926	1,156,250,968
	(97,391,594)	14,508,006	6,507,038	(76,376,550)
	684,178,300	93,118,154	302,577,964	1,079,874,418
	28,833,321	–	–	28,833,321
	810,403,215	78,610,148	296,070,926	1,185,084,289

Retrocession contracts

Analysis by remaining coverage and incurred claims

	31 December 2024 (⃁)				
	Assets for remaining coverage		Assets for incurred claims		Total
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Retrocession contracts					
Opening assets	(189,148,319)	(3,223,310)	(236,418,979)	(10,802,559)	(439,593,167)
Opening liabilities	–	–	–	–	–
Net opening balance	(189,148,319)	(3,223,310)	(236,418,979)	(10,802,559)	(439,593,167)
Allocation of reinsurance premiums paid	206,515,160	–	–	–	206,515,160
Income on initial recognition of onerous underlying reinsurance contracts	–	(4,354,709)	–	–	(4,354,709)
Amounts recoverable from retrocessionaires					
Recoveries of incurred claims and other reinsurance services	–	–	(264,754,866)	(11,783,489)	(276,538,355)
Recoveries and reversals of recoveries of losses on onerous underlying contracts, net	–	6,309,716	–	–	6,309,716
Adjustments to assets for incurred claims	–	–	63,229,956	5,331,865	68,561,821
	–	6,309,716	(201,524,910)	(6,451,624)	(201,666,818)
Changes that relate to future service	–	619,546	–	–	619,546
Effect of changes in the risk of retrocessionaires' non-performance	(1,415,409)	–	(421,603)	–	(1,837,012)
Net expenses/(income) from retrocession contracts	205,099,751	2,574,553	(201,946,513)	(6,451,624)	(723,833)
Net finance (income)/expenses from retrocession contracts	(141,135)	(360,069)	(11,446,438)	–	(11,947,642)
Effect of movement in exchange rates	–	–	(168,037)	–	(168,037)
Total changes in the statement of income	204,958,616	2,214,484	(213,560,988)	(6,451,624)	(12,839,512)
Cash flows					
Premiums, net of ceding commissions, paid	(218,766,590)	–	1,927,300	–	(216,839,290)
Recoveries from retrocession	–	–	58,219,821	–	58,219,821
	(218,766,590)	–	60,147,121	–	(158,619,469)
Premiums expected to be received transferred from the ARC to AIC	(76,502,419)	–	76,502,419	–	–
Net closing balance	(279,458,712)	(1,008,826)	(313,330,427)	(17,254,183)	(611,052,148)
Closing assets	(278,418,827)	(859,277)	(332,370,170)	(16,279,232)	(627,927,506)
Closing liabilities	(1,039,885)	(149,549)	19,039,743	(974,951)	16,875,358
Net closing balance	(279,458,712)	(1,008,826)	(313,330,427)	(17,254,183)	(611,052,148)

31 December 2023 (⃁)				
Assets for remaining coverage		Assets for incurred claims		Total
Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
13,672,811	(956,953)	(187,474,023)	(14,487,910)	(189,246,075)
12,543,326	–	(401,978)	(37,945)	12,103,403
26,216,137	(956,953)	(187,876,001)	(14,525,855)	(177,142,672)
46,270,746	–	–	–	46,270,746
–	(31,224,779)	–	–	(31,224,779)
–	–	(96,996,233)	(6,584,836)	(103,581,069)
–	27,830,578	–	–	27,830,578
–	–	43,273,345	10,306,642	53,579,987
–	27,830,578	(53,722,888)	3,721,806	(22,170,504)
–	2,997,509	–	–	2,997,509
1,171,969	–	237,165	–	1,409,134
47,442,715	(396,692)	(53,485,723)	3,721,806	(2,717,894)
(8,472,641)	(1,869,665)	(9,868,127)	–	(20,210,433)
–	–	(23,209)	1,490	(21,719)
38,970,074	(2,266,357)	(63,377,059)	3,723,296	(22,950,046)
(235,739,388)	–	(120,417,515)	–	(356,156,903)
–	–	116,656,454	–	116,656,454
(235,739,388)	–	(3,761,061)	–	(239,500,449)
(18,595,142)	–	18,595,142	–	–
(189,148,319)	(3,223,310)	(236,418,979)	(10,802,559)	(439,593,167)
(189,148,319)	(3,223,310)	(236,418,979)	(10,802,559)	(439,593,167)
–	–	–	–	–
(189,148,319)	(3,223,310)	(236,418,979)	(10,802,559)	(439,593,167)

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Retrocession contracts

Analysis by measurement component

	31 December 2024 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Retrocession contracts				
Opening assets	(183,058,050)	(45,507,807)	(211,027,310)	(439,593,167)
Opening liabilities	–	–	–	–
Net opening balance	(183,058,050)	(45,507,807)	(211,027,310)	(439,593,167)
Changes in the statement of income				
Changes that relate to current services				
CSM recognised for the services received	–	–	80,044,589	80,044,589
Change in the risk adjustment for non-financial risk for the risk expired	–	(9,805,033)	–	(9,805,033)
Experience adjustments	(133,953,035)	–	–	(133,953,035)
Changes that relate to future services				
Contracts initially recognised in the period	216,412,964	(18,876,386)	(201,891,287)	(4,354,709)
Changes in recoveries of losses on onerous contracts that adjust the CSM	(13,626,745)	(2,737,320)	16,364,065	–
Changes in estimates that adjust the CSM	62,960,068	(108,159)	(62,851,909)	–
Changes in estimates that relate to losses and reversals of losses on onerous underlying reinsurance contracts, net	(15,919,598)	13,380,685	3,158,459	619,546
Changes that relate to past services				
Adjustments to liabilities for incurred claims	63,229,955	5,331,866	–	68,561,821
Effect of changes in the risk of retrocessionaires' non-performance	(1,837,012)	–	–	(1,837,012)
Net expenses/(income) from retrocession contracts	177,266,597	(12,814,347)	(165,176,083)	(723,833)
Net finance income from retrocession contracts	9,139,539	–	(21,087,181)	(11,947,642)
Effect of movement in exchange rates	(168,037)	–	–	(168,037)
Total changes in the statement of income	186,238,099	(12,814,347)	(186,263,264)	(12,839,512)
Cash flows				
Premiums, net of ceding commissions, paid	(216,839,290)	–	–	(216,839,290)
Recoveries from retrocession	58,219,821	–	–	58,219,821
	(158,619,469)	–	–	(158,619,469)
Net closing balance	(155,439,420)	(58,322,154)	(397,290,574)	(611,052,148)
Closing assets	(225,220,930)	(53,908,745)	(348,797,831)	(627,927,506)
Closing liabilities	69,781,510	(4,413,409)	(48,492,743)	16,875,358
Net closing balance	(155,439,420)	(58,322,154)	(397,290,574)	(611,052,148)

	31 December 2023 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	(146,685,358)	(16,051,471)	(26,509,246)	(189,246,075)
	134,773,085	(18,341,127)	(104,328,555)	12,103,403
	(11,912,273)	(34,392,598)	(130,837,801)	(177,142,672)
	–	–	63,981,241	63,981,241
	–	(6,396,785)	–	(6,396,785)
	(87,064,201)	–	–	(87,064,201)
	134,629,405	(18,425,100)	(147,429,084)	(31,224,779)
	1,909,909	(1,280,204)	(629,705)	–
	152,762,777	(707,665)	(152,055,112)	–
	(170,462,845)	5,386,413	168,073,941	2,997,509
	43,273,345	10,306,642	–	53,579,987
	1,409,134	–	–	1,409,134
	76,457,524	(11,116,699)	(68,058,719)	(2,717,894)
	(8,079,643)	–	(12,130,790)	(20,210,433)
	(23,209)	1,490	–	(21,719)
	68,354,672	(11,115,209)	(80,189,509)	(22,950,046)
	(356,156,903)	–	–	(356,156,903)
	116,656,454	–	–	116,656,454
	(239,500,449)	–	–	(239,500,449)
	(183,058,050)	(45,507,807)	(211,027,310)	(439,593,167)
	(183,058,050)	(45,507,807)	(211,027,310)	(439,593,167)
	–	–	–	–
	(183,058,050)	(45,507,807)	(211,027,310)	(439,593,167)

ii. Life and Health

Reinsurance contracts

Analysis by remaining coverage and incurred claims

	31 December 2024 (⃁)				
	Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Reinsurance contracts					
Opening liabilities	(762,981)	1,722,673	27,061,703	1,688,890	29,710,285
Opening assets	7,329	–	(1,537,306)	79,240	(1,450,737)
Net opening balance	(755,652)	1,722,673	25,524,397	1,768,130	28,259,548
Changes in the statement of income					
Reinsurance revenue					
Contracts measured under modified retrospective approach	(11,929)	–	–	–	(11,929)
Other contracts	(48,186,227)	–	–	–	(48,186,227)
	(48,198,156)	–	–	–	(48,198,156)
Reinsurance service expenses					
Incurred claims and other reinsurance service expenses	–	(1,962,590)	38,617,445	680,354	37,335,209
Amortisation of insurance acquisition cash flows	2,369,168	–	–	–	2,369,168
Losses and reversals of losses on onerous contracts, net	–	401,849	–	–	401,849
Adjustments to liabilities for incurred claims	–	–	(3,299,839)	(316,809)	(3,616,648)
	2,369,168	(1,560,741)	35,317,606	363,545	36,489,578
Investment components	(3,890)	–	3,890	–	–
Reinsurance service result – Gross	(45,832,878)	(1,560,741)	35,321,496	363,545	(11,708,578)
Net finance (income)/expenses from reinsurance contracts	(2,267,083)	264,373	4,840,621	–	2,837,911
Effect of movement in exchange rates	(5,842)	–	161,630	–	155,788
Total changes in the statement of income	(48,105,803)	(1,296,368)	40,323,747	363,545	(8,714,879)

31 December 2023 (⃁)				Total
Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		
Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
(10,739,519)	72,536	112,966,515	2,656,793	104,956,325
(5,545,719)	49	(3,848,551)	236,528	(9,157,693)
(16,285,238)	72,585	109,117,964	2,893,321	95,798,632
5,478,071	–	–	–	5,478,071
(28,378,770)	–	–	–	(28,378,770)
(22,900,700)	–	–	–	(22,900,700)
–	(638,397)	35,258,410	909,660	35,529,673
1,653,186	–	–	–	1,653,186
–	2,207,030	–	–	2,207,030
–	–	(22,932,483)	(2,021,957)	(24,954,440)
1,653,186	1,568,633	12,325,927	(1,112,297)	14,435,449
(2,363)	–	2,363	–	–
(21,249,877)	1,568,633	12,328,290	(1,112,297)	(8,465,251)
(4,564,163)	81,455	8,505,007	–	4,022,299
108,812	–	(527,062)	(12,894)	(431,144)
(25,705,228)	1,650,088	20,306,235	(1,125,191)	(4,874,096)

	31 December 2024 (⃁)				
	Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		Total
	Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Cash flows					
Premiums, net of ceding commission, received	17,086,002	–	18,837,702	–	35,923,704
Claims and other reinsurance service expenses paid	–	–	(28,943,098)	–	(28,943,098)
Reinsurance acquisition cash flows	(2,443,810)	–	–	–	(2,443,810)
	14,642,192	–	(10,105,396)	–	4,536,796
Premiums expected to be received transferred from the LRC to LIC	33,923,365	–	(33,923,365)	–	–
Net closing balance	(295,898)	426,305	21,819,383	2,131,675	24,081,465
Closing liabilities	(130,589)	228,685	23,278,419	2,019,500	25,396,015
Closing assets	(165,309)	197,620	(1,459,036)	112,175	(1,314,550)
Net closing balance	(295,898)	426,305	21,819,383	2,131,675	24,081,465

Reinsurance contracts

Analysis by measurement component

	31 December 2024 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Reinsurance contracts				
Opening liabilities	27,274,391	2,100,042	335,852	29,710,285
Opening assets	(1,580,614)	79,499	50,378	(1,450,737)
Net opening balance	25,693,777	2,179,541	386,230	28,259,548
Changes in the statement of income				
Changes that relate to current services				
CSM recognised for the services provided	–	–	(2,804,593)	(2,804,593)
Change in the risk adjustment for non-financial risk for the risk expired	–	151,238	–	151,238
Experience adjustments	(5,840,424)	–	–	(5,840,424)

31 December 2023 (⃁)				Total
Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		
Excluding loss component	Loss component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
15,602,572	–	67,311,149	–	82,913,721
–	–	(143,569,258)	–	(143,569,258)
(2,009,451)	–	–	–	(2,009,451)
13,593,121	–	(76,258,109)	–	(62,664,988)
27,641,693	–	(27,641,693)	–	–
(755,652)	1,722,673	25,524,397	1,768,130	28,259,548
(762,981)	1,722,673	27,061,703	1,688,890	29,710,285
7,329	–	(1,537,306)	79,240	(1,450,737)
(755,652)	1,722,673	25,524,397	1,768,130	28,259,548

31 December 2023 (⃁)			
Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
101,710,347	2,772,922	473,056	104,956,325
(10,791,433)	251,282	1,382,458	(9,157,693)
90,918,914	3,024,204	1,855,514	95,798,632
–	–	(2,019,677)	(2,019,677)
–	836,834	–	836,834
15,465,002	–	–	15,465,002

	31 December 2024 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Changes that relate to future services				
Contracts initially recognised in the period	(4,355,120)	837,362	3,556,532	38,774
Changes in estimates that adjust the CSM	802,087	(360,176)	(441,911)	–
Changes in estimates that result in losses and reversals of losses on onerous contracts, net	391,021	(27,946)	–	363,075
Changes that relate to past services				
Adjustments to liabilities for incurred claims	(3,299,839)	(316,809)	–	(3,616,648)
Reinsurance service result – Gross	(12,302,275)	283,669	310,028	(11,708,578)
Net finance expenses from reinsurance contracts	2,601,169	–	236,742	2,837,911
Effect of movement in exchange rates	155,788	–	–	155,788
Total changes in the statement of income	(9,545,318)	283,669	546,770	(8,714,879)
Cash flows				
Premiums, net of ceding commission, received	35,923,704	–	–	35,923,704
Claims and other reinsurance service expenses paid	(28,943,098)	–	–	(28,943,098)
Reinsurance acquisition cash flows	(2,443,810)	–	–	(2,443,810)
	4,536,796	–	–	4,536,796
Net closing balance	20,685,255	2,463,210	933,000	24,081,465
Closing liabilities	22,169,586	2,323,044	903,385	25,396,015
Closing assets	(1,484,331)	140,166	29,615	(1,314,550)
Net closing balance	20,685,255	2,463,210	933,000	24,081,465

	31 December 2023 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	(1,728,523)	1,117,292	1,679,813	1,068,582
	1,777,321	(498,447)	(1,278,874)	–
	1,405,661	(267,213)	–	1,138,448
	(22,932,482)	(2,021,958)	–	(24,954,440)
	(6,013,021)	(833,492)	(1,618,738)	(8,465,251)
	3,865,893	6,952	149,454	4,022,299
	(413,021)	(18,123)	–	(431,144)
	(2,560,149)	(844,663)	(1,469,284)	(4,874,096)
	82,913,721	–	–	82,913,721
	(143,569,258)	–	–	(143,569,258)
	(2,009,451)	–	–	(2,009,451)
	(62,664,988)	–	–	(62,664,988)
	25,693,777	2,179,541	386,230	28,259,548
	27,274,391	2,100,042	335,852	29,710,285
	(1,580,614)	79,499	50,378	(1,450,737)
	25,693,777	2,179,541	386,230	28,259,548

Retrocession contracts

Analysis by remaining coverage and incurred claims

	31 December 2024 (⃁)				
	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
Retrocession contracts					
Opening assets	–	–	–	–	–
Opening liabilities	1,308	(5,562)	194,568	(661)	189,653
Net opening balance	1,308	(5,562)	194,568	(661)	189,653
Allocation of retrocession premiums paid	261,364	–	–	–	261,364
Income on initial recognition of onerous underlying reinsurance contracts	–	(192)	–	–	(192)
Amounts recoverable from retrocessionaires					
Recoveries of incurred claims and other reinsurance services	–	–	–	–	–
Recoveries and reversals of recoveries of losses on onerous underlying reinsurance contracts, net	–	6,672	–	–	6,672
Adjustments to assets for incurred claims	–	–	68,974	(106)	68,868
	–	6,672	68,974	(106)	75,540
Changes that relate to future service	–	(1,577)	–	–	(1,577)
Effect of changes in the risk of reinsurers non-performance	–	–	135	–	135
Net expenses/(income) from retrocession contracts	261,364	4,903	69,109	(106)	335,270
Net finance (income)/expenses from retrocession contracts	8,168	(1,152)	11,289	–	18,305
Effect of movement in exchange rates	–	–	1	–	1
Total changes in the statement of income	269,532	3,751	80,399	(106)	353,576
Cash flows					
Premiums, net of ceding commissions, paid	(268,942)	–	(217,625)	–	(486,567)
Recoveries from retrocession	–	–	–	–	–
	(268,942)	–	(217,625)	–	(486,567)
Premiums expected to be received transferred from the ARC to AIC	–	–	–	–	–
Net closing balance	1,898	(1,811)	57,342	(767)	56,662
Closing assets	–	–	–	–	–
Closing liabilities	1,898	(1,811)	57,342	(767)	56,662
Net closing balance	1,898	(1,811)	57,342	(767)	56,662

	31 December 2023 (⃁)				Total
	Liabilities/(assets) for remaining coverage		Liabilities/(assets) for incurred claims		
	Excluding loss recovery component	Loss recovery component	Estimates of present value of FCF	Risk adjustment for non-financial risk	
	–	–	–	–	–
	351	(363)	53,374	(1,021)	52,341
	351	(363)	53,374	(1,021)	52,341
	110,500	–	–	–	110,500
	–	(788)	–	–	(788)
	–	–	(874)	–	(874)
	–	806	–	–	806
	–	–	263,867	360	264,227
	–	806	262,993	360	264,159
	–	(5,075)	–	–	(5,075)
	–	–	(402)	—	(402)
	110,500	(5,057)	262,591	360	368,394
	6,975	(142)	419	–	7,252
	–	–	(3)	–	(3)
	117,475	(5,199)	263,007	360	375,643
	(113,696)	–	(125,509)	–	(239,205)
	–	–	874	–	874
	(113,696)	–	(124,635)	–	(238,331)
	(2,822)	–	2,822	–	–
	1,308	(5,562)	194,568	(661)	189,653
	–	–	–	–	–
	1,308	(5,562)	194,568	(661)	189,653
	1,308	(5,562)	194,568	(661)	189,653

Retrocession contracts

Analysis by measurement component

	31 December 2024 (⃁)			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
Retrocession contracts				
Opening assets	–	–	–	–
Opening liabilities	194,569	(661)	(4,255)	189,653
Net opening balance	194,569	(661)	(4,255)	189,653
Changes in the statement of income				
Changes that relate to current services				
CSM recognised for the services provided	–	–	268,391	268,391
Experience adjustments	(355)	–	–	(355)
Changes that relate to future services				
Contracts initially recognised in the period	239,514	–	(239,706)	(192)
Changes in recoveries of losses on onerous contracts that adjust the CSM	–	–	–	–
Changes in estimates that adjust the CSM	131,578	(71)	(131,507)	–
Changes in estimates that relate to losses and reversals of losses on onerous underlying reinsurance contracts, net	(123,542)	71	121,894	(1,577)
Changes that relate to past services				
Adjustments to liabilities for incurred claims	68,974	(106)	–	68,868
Effect of changes in the risk of reinsurers non-performance	135	–	–	135
Net expenses/(income) from retrocession contracts	316,304	(106)	19,072	335,270
Net finance (income)/expenses from retrocession contracts	33,037	–	(14,732)	18,305
Effect of movement in exchange rates	1	–	–	1
Total changes in the statement of income	349,342	(106)	4,340	353,576
Cash flows				
Premiums, net of ceding commissions, paid	(486,567)	–	–	(486,567)
Recoveries from retrocession	–	–	–	–
	(486,567)	–	–	(486,567)
Net closing balance	57,344	(767)	85	56,662
Closing assets	–	–	–	–
Closing liabilities	57,344	(767)	85	56,662
Net closing balance	57,344	(767)	85	56,662

31 December 2023 (⃁)			
Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
–	–	–	–
53,346	(1,021)	16	52,341
53,346	(1,021)	16	52,341
–	–	108,403	108,403
2,029	–	–	2,029
201,308	–	(202,096)	(788)
–	–	–	–
(1,457)	(207)	1,664	–
(105,318)	207	100,036	(5,075)
263,867	360	–	264,227
(402)	–	–	(402)
360,027	360	8,007	368,394
19,530	–	(12,278)	7,252
(3)	–	–	(3)
379,554	360	(4,271)	375,643
(239,205)	–	–	(239,205)
874	–	–	874
(238,331)	–	–	(238,331)
194,569	(661)	(4,255)	189,653
–	–	–	–
194,569	(661)	(4,255)	189,653
194,569	(661)	(4,255)	189,653

B. Effect of contracts initially recognized in the year

i. Property and Casualty

Reinsurance contracts	31 December 2024 (⃁)			31 December 2023 (⃁)		
	Profitable contracts issued	**Onerous contracts issued**	**Total**	Profitable contracts issued	Onerous contracts issued	Total
Claims and other directly attributable expenses	**1,178,849,671**	**424,681,449**	**1,603,531,120**	787,450,749	248,482,976	1,035,933,725
Reinsurance acquisition cash flows	**12,264,161**	**2,616,323**	**14,880,484**	14,978,933	1,878,497	16,857,430
Estimates of present value of cash outflows	**1,191,113,832**	**427,297,772**	**1,618,411,604**	802,429,682	250,361,473	1,052,791,155
Estimates of present value of cash inflows	**(1,632,649,246)**	**(305,952,834)**	**(1,938,602,080)**	(1,114,940,912)	(132,345,640)	(1,247,286,552)
Risk adjustment for non-financial risk	**41,156,942**	**10,929,703**	**52,086,645**	32,272,664	6,332,660	38,605,324
CSM	**400,378,472**	**–**	**400,378,472**	280,238,566	–	280,238,566
Losses recognized on initial recognition	**–**	**132,274,641**	**132,274,641**	–	124,348,493	124,348,493

Retrocession contracts	31 December 2024 (⃁)			31 December 2023 (⃁)		
	Contracts initiated at net gain	**Contracts initiated at net loss**	**Total**	Contracts initiated at net gain	Contracts initiated at net loss	Total
Estimates of present value of cash inflows	**(408,463,288)**	**(33,520,484)**	**(441,983,772)**	(274,281,409)	(14,358,013)	(288,639,422)
Estimates of present value of cash outflows	**646,537,060**	**11,859,676**	**658,396,736**	420,432,505	2,836,322	423,268,827
Risk adjustment for non-financial risk	**(17,854,912)**	**(1,021,474)**	**(18,876,386)**	(17,851,020)	(574,080)	(18,425,100)
Income recognized on initial recognition	**1,940,468**	**2,414,241**	**4,354,709**	28,343,207	2,881,572	31,224,779
CSM	**222,159,328**	**(20,268,041)**	**201,891,287**	156,643,283	(9,214,199)	147,429,084

ii. Life and Health

Reinsurance contracts	31 December 2024 (⃁)			31 December 2023 (⃁)		
	Profitable contracts issued	**Onerous contracts issued**	**Total**	Profitable contracts issued	Onerous contracts issued	Total
Claims and other directly attributable expenses	**31,025,100**	**9,163,677**	**40,188,777**	21,866,740	19,198,918	41,065,658
Reinsurance acquisition cash flows	**1,015,309**	**283,913**	**1,299,222**	1,051,413	833,411	1,884,824
Estimates of present value of cash outflows	**32,040,409**	**9,447,590**	**41,487,999**	22,918,153	20,032,329	42,950,482
Estimates of present value of cash inflows	**(36,273,533)**	**(9,569,586)**	**(45,843,119)**	(25,178,497)	(19,500,508)	(44,679,005)
Risk adjustment for non-financial risk	**676,592**	**160,770**	**837,362**	580,531	536,761	1,117,292
CSM	**3,556,532**	**–**	**3,556,532**	1,679,813	–	1,679,813
Losses recognized on initial recognition	**–**	**38,774**	**38,774**	–	1,068,582	1,068,582

Retrocession contracts	31 December 2024 (⃁)			31 December 2023 (⃁)		
	Contracts initiated at net gain	**Contracts initiated at net loss**	**Total**	Contracts initiated at net gain	Contracts initiated at net loss	Total
Estimates of present value of cash inflows	**(599)**	**–**	**(599)**	(774)	–	(774)
Estimates of present value of cash outflows	**240,113**	**–**	**240,113**	202,082	–	202,082
Risk adjustment for non- financial risk	**–**	**–**	**–**	–	–	–
Income recognized on initial recognition	**192**	**–**	**192**	**788**	**–**	**788**
CSM	**239,706**	**–**	**239,706**	**202,096**	**–**	**202,096**

C. Contractual service margin

The following table sets out when the Company expects to recognize the remaining CSM in after the reporting date;

Reinsurance contracts	31 December 2024 (⃁)						
	1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
Property and Casualty	125,954,158	43,569,816	38,349,417	36,988,036	37,583,627	265,679,622	548,124,676
Life and Health	813,966	118,422	93	106	120	293	933,000
Total	**126,768,124**	**43,688,238**	**38,349,510**	**36,988,142**	**37,583,747**	**265,679,915**	**549,057,676**

Reinsurance contracts	31 December 2023 (⃁)						
	1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
Property and Casualty	68,221,740	21,038,411	16,858,985	17,614,095	19,446,614	159,398,119	302,577,964
Life and Health	352,622	25,946	6,953	139	156	414	386,230
Total	**68,574,362**	**21,064,357**	**16,865,938**	**17,614,234**	**19,446,770**	**159,398,533**	**302,964,194**

D. Claims development table

The table below illustrates how estimates of ultimate claims have developed over time on a gross and net of retrocession basis. Each table shows how the Company's estimates of total claims for each underwriting year have developed over time and reconciles the cumulative claims to the amount included in the statement of financial position.

Gross

Underwriting year	2015 and prior ⃁	2016 ⃁	2017 ⃁
Estimates of undiscounted gross cumulative claims			
At end of underwriting year	1,929,905,875	368,147,812	640,902,272
One year later	2,336,097,779	375,578,804	627,294,512
Two years later	2,333,589,777	365,182,035	621,201,148
Three years later	2,285,198,593	366,689,220	639,220,156
Four years later	2,275,874,648	353,681,113	655,261,452
Five years later	2,255,279,002	359,108,253	657,589,451
Six years later	2,258,152,495	358,022,863	678,255,614
Seven years later	2,246,800,504	350,043,331	671,533,191
Eight years later	2,238,501,431	363,113,236	–
Nine years later	2,237,364,512	–	–
Current estimate of ultimate claims	**2,237,364,512**	**363,113,236**	**671,533,191**

Retrocession contracts	**31 December 2024 (⃁)**						
	1 year	**2 years**	**3 years**	**4 years**	**5 years**	**More than 5 years**	**Total**
Property and Casualty	**(80,686,622)**	**(27,325,945)**	**(27,705,496)**	**(28,466,389)**	**(29,479,467)**	**(203,626,655)**	**(397,290,574)**
Life and Health	**99**	**(14)**	**–**	**–**	**–**	**–**	**85**
Total	**(80,686,523)**	**(27,325,959)**	**(27,705,496)**	**(28,466,389)**	**(29,479,467)**	**(203,626,655)**	**(397,290,489)**

Retrocession contracts	31 December 2023 (⃁)						
	1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
Property and Casualty	(39,084,239)	(15,387,450)	(13,171,564)	(13,344,243)	(14,254,822)	(115,784,992)	(211,027,310)
Life and Health	(436)	(370)	(394)	(416)	(446)	(2,193)	(4,255)
Total	**(39,084,675)**	**(15,387,820)**	**(13,171,958)**	**(13,344,659)**	**(14,255,268)**	**(115,787,185)**	**(211,031,565)**

	2018 ⃁	2019 ⃁	2020 ⃁	2021 ⃁	2022 ⃁	2023 ⃁	**2024 ⃁**	Total ⃁
	528,000,952	472,216,120	576,063,780	716,490,145	785,052,798	975,894,249	**1,486,988,977**	
	593,435,556	460,695,946	572,647,228	769,669,121	853,656,971	1,068,240,005	**–**	
	547,329,451	452,161,668	593,953,170	751,002,885	786,699,641	–	**–**	
	536,490,861	446,279,936	516,022,530	727,754,501	–	–	**–**	
	530,289,572	434,123,163	498,187,954	–	–	–	**–**	
	540,517,999	434,997,192	–	–	–	–	**–**	
	533,950,346	–	–	–	–	–	**–**	
	–	–	–	–	–	–	**–**	
	–	–	–	–	–	–	**–**	
	–	–	–	–	–	–	**–**	
	533,950,346	**434,997,192**	**498,187,954**	**727,754,501**	**786,699,641**	**1,068,240,005**	**1,486,988,977**	**8,808,829,555**

Underwriting year	2015 and prior ⃁	2016 ⃁	2017 ⃁
Cumulative payments to date	(2,192,042,877)	(327,259,098)	(642,385,592)
Effect of discounting			
Effect of risk adjustment			
Payable claims and other expenses			
Reinstatement premium			
LIC others			
LRC claims			
Gross liabilities for incurred claims			

Net of retrocession

Underwriting year	2015 and prior ⃁	2016 ⃁	2017 ⃁
Estimates of undiscounted net cumulative claims			
At end of underwriting year	1,660,622,889	350,778,864	431,699,944
One year later	2,024,553,901	368,790,459	452,097,225
Two years later	2,020,524,999	353,230,560	465,249,883
Three years later	1,988,087,380	361,424,843	446,992,523
Four years later	1,983,765,869	348,714,194	460,185,052
Five years later	1,966,068,206	354,205,743	455,529,594
Six years later	1,970,558,979	353,110,638	457,373,199
Seven years later	1,960,584,533	345,078,975	449,320,239
Eight years later	1,952,539,513	358,149,610	–
Nine years later	1,951,406,528	–	–
Current estimate of ultimate claims	**1,951,406,528**	**358,149,610**	**449,320,239**
Cumulative payments to date	(1,912,025,564)	(323,586,362)	(423,775,282)
Effect of discounting			
Effect of risk adjustment			
Payable claims and other expenses			
Reinstatement premium			
LIC others			
LRC claims			
Net liabilities for incurred claims			
Gross liabilities for incurred claims			
Net liabilities for incurred claims			
Retrocession contract assets for incurred claims			

	2018 ⃁	2019 ⃁	2020 ⃁	2021 ⃁	2022 ⃁	2023 ⃁	**2024** **⃁**	Total ⃁
	(476,934,128)	(384,046,219)	(438,966,835)	(576,078,026)	(220,506,753)	(150,122,521)	**(6,446,796)**	(5,414,788,845)
								(162,004,926)
								74,084,978
								453,891,201
								(82,517,863)
								(1,249,335,025)
								(1,348,804,513)
								1,079,354,562

	2018 ⃁	2019 ⃁	2020 ⃁	2021 ⃁	2022 ⃁	2023 ⃁	**2024** **⃁**	Total ⃁
	430,538,167	335,243,671	483,046,785	660,210,689	499,293,544	677,799,248	**855,175,024**	
	472,867,596	346,671,678	485,243,707	683,127,320	563,392,533	742,413,178	**–**	
	461,246,825	346,175,776	519,005,245	674,612,770	526,615,648	–	**–**	
	454,184,907	354,379,433	462,140,817	650,622,657	–	–	**–**	
	439,705,702	345,883,185	448,969,327	–	–	–	**–**	
	462,616,736	348,425,059	–	–	–	–	**–**	
	440,355,558	–	–	–	–	–	**–**	
	–	–	–	–	–	–	**–**	
	–	–	–	–	–	–	**–**	
	–	–	–	–	–	–	**–**	
	440,355,558	**348,425,059**	**448,969,327**	**650,622,657**	**526,615,648**	**742,413,178**	**855,175,024**	**6,771,452,828**
	(402,018,482)	(301,572,596)	(396,904,311)	(527,834,815)	(208,346,559)	(138,169,570)	**(6,437,947)**	(4,640,671,488)
								(118,977,765)
								56,830,029
								433,982,036
								(26,115,888)
								(1,177,303,497)
								(550,369,728)
								748,826,527
								1,079,354,562
								(748,826,527)
								330,528,035

8 PROPERTY AND EQUIPMENT, NET

	31 December 2024			
	Land (⃁)	Building (⃁)	Computers and equipment (⃁)	Furniture and fixtures (⃁)
Cost:				
As at 1 January 2024	18,329,960	11,454,040	5,558,074	6,139,451
Additions during the year	–	–	413,962	1,062,901
Transfers during the year	–	–	–	–
As at 31 December 2024	18,329,960	11,454,040	5,972,036	7,202,352
Accumulated depreciation:				
As at 1 January 2024	–	3,441,997	4,271,061	4,936,412
Charged for the year	–	347,091	676,892	376,723
As at 31 December 2024	–	3,789,088	4,947,953	5,313,135
Net book value				
As at 31 December 2024	18,329,960	7,664,952	1,024,083	1,889,217

	31 December 2023			
	Land ⃁	Building ⃁	Computers and equipment ⃁	Furniture and fixtures ⃁
Cost:				
As at 1 January 2023	18,329,960	11,454,040	4,461,043	5,601,695
Additions during the year	--	--	1,097,031	537,756
Transfers during the year	--	--	--	--
As at 31 December 2023	18,329,960	11,454,040	5,558,074	6,139,451
Accumulated depreciation:				
As at 1 January 2023	--	3,094,905	3,619,107	4,409,284
Charged for the year	--	347,092	651,954	527,128
As at 31 December 2023	--	3,441,997	4,271,061	4,936,412
Net book value				
As at 31 December 2023	18,329,960	8,012,043	1,287,013	1,203,039

	31 December 2024				
	Motor vehicles (⃁)	Leasehold improvements (⃁)	Work-in-progress (⃁)	Right-of-use assets (⃁)	Total (⃁)
	1,144,711	982,013	781,826	692,419	45,082,494
	–	–	900,354	–	2,377,217
	–	–	(1,476,863)	–	(1,476,863)
	1,144,711	982,013	205,317	692,419	45,982,848
	953,005	571,166	–	384,339	14,557,980
	143,775	96,017	–	231,145	1,871,643
	1,096,780	667,183	–	615,484	16,429,623
	47,931	314,830	205,317	76,935	29,553,225

	31 December 2023				
	Motor vehicles ⃁	Leasehold improvements ⃁	Work-in-progress ⃁	Right-of-use assets ⃁	Total ⃁
	1,144,711	982,013	1,634,787	692,419	44,300,668
	--	--	781,826	--	2,416,613
	--	--	(1,634,787)	--	(1,634,787)
	1,144,711	982,013	781,826	692,419	45,082,494
	809,230	475,025	--	153,535	12,561,086
	143,775	96,141	--	230,804	1,996,894
	953,005	571,166	--	384,339	14,557,980
	191,706	410,847	781,826	308,080	30,524,514

9 INTANGIBLE ASSETS

	31 December 2024 (⃁)		
	Software	Work-in-progress	Total
Cost			
As at 1 January 2024	17,713,192	752,087	18,465,279
Additions during the year	1,051,474	1,016,299	2,067,773
Transfers during the year	–	(1,051,474)	(1,051,474)
As at 31 December 2024	18,764,666	716,912	19,481,578
Accumulated depreciation			
As at 1 January 2024	11,850,603	–	11,850,603
Charge for the year	1,468,444	–	1,468,444
As at 31 December 2024	13,319,047	–	13,319,047
Net book value			
As at 31 December 2024	5,445,619	716,912	6,162,531

	31 December 2023 (⃁)		
	Software	Work-in-progress	Total
Cost			
As at 1 January 2023	11,558,891	4,214,302	15,773,193
Additions during the year	6,154,301	2,692,086	8,846,387
Transfers during the year	–	(6,154,301)	(6,154,301)
As at 31 December 2023	17,713,192	752,087	18,465,279
Accumulated depreciation			
As at 1 January 2023	11,133,566	–	11,133,566
Charge for the year	717,037	–	717,037
As at 31 December 2023	11,850,603	–	11,850,603
Net book value			
As at 31 December 2023	5,862,589	752,087	6,614,676

10 PREPAID EXPENSES, DEPOSITS AND OTHER ASSETS

	Notes	31 December 2024 ⃁	31 December 2023 ⃁
Funds at Lloyds	10.1	**168,695,636**	149,740,267
Prepaid expenses	10.2	**5,804,955**	1,071,795
Refundable deposit		**4,021,037**	40,032,377
Advances to employees		**1,388,597**	1,250,778
Others		**910,721**	3,506,422
		180,820,946	**195,601,639**

10.1 These represent restricted funds placed with Custodian as required by Lloyd's. These earn an average interest of 4.98% (2023: 5.16%). These funds serve as collateral for participation in Lloyd's Syndicates for the underwriting years 2022, 2023, and 2024. Funds at Lloyds are neither past due nor impaired and are classified in Stage 1.

10.2 The refundable deposit primarily relates to an ongoing VAT case (refer to note 16). During the year, the Company received a favourable final ruling from GSZTCC Level 2 regarding additional VAT assessments for the years 2018 and 2019, resulting in a total refund of ⃁ 35 million in the Company's favour. Following this decision, the Company submitted a refund request to ZATCA for the amounts accepted by GSZTCC and received the refund.

11 INVESTMENT IN AN EQUITY ACCOUNTED INVESTEE

	31 December 2024 ⃁	31 December 2023 ⃁
Opening balance	**208,989,740**	160,687,437
Share of profit of equity accounted investee	**2,510,590**	40,070,637
Company's share of other comprehensive income – Impact of foreign currency exchange	**(156,847)**	5,038,135
Share of capital contribution of investment in equity accounted investee	**–**	3,193,531
Disposal	**(211,343,483)**	–
Closing balance	**–**	208,989,740

NOTES TO THE FINANCIAL STATEMENTS

The Company, on 6 October 2017, acquired 49.9% of the ordinary shares of Probitas Holdings (Bermuda) Limited ("PHBL"). The Company had accounted for this investment as an associate (equity accounted investee). PHBL operates in insurance and reinsurance businesses including Lloyds market in London, United Kingdom.

On 15 January 2024, the Board of Directors of the Company approved the strategy to sell the Company's investment in PHBL hence, it was classified as held-for-sale and the equity accounting was discontinued. Accordingly, the Company has accounted for the share of profit of equity accounted investee only for the period from 1 January 2024 to 15 January 2024.

On 4 March 2024, the Company announced signing a share purchase agreement for the sale of its entire stake in PHBL. The Company signed the share purchase agreement with Aviva Insurance Limited for consideration of GBP 120 million together with profit on this amount at 5.188% per annum for each calendar day from and including 31 December 2023 until (but excluding) the completion date, to be paid in cash upon completion of sale transaction. The transaction was completed on 9 July 2024. The sale proceeds after deducting transaction costs amounted to ⃁ 579.06 million. The Company recorded a capital gain on disposal amounting to ⃁ 365.95 million.

The Company had entered into a forward contract to mitigate the risk of GBP to USD exchange rate movements, associated with the receipts from the sale of investment in PHBL. The Company settled the contract and recorded a loss of ⃁ 10.64 million (refer Note 25).

The table reconciles the summarized financial information to the carrying amount of the Company's interest in PHBL.

	31 December 2024* **⃁**	31 December 2023 ⃁
Percentage ownership interest (%)	–	49.90
Total assets	–	1,333,803,750
Total liabilities	–	944,321,994
Net assets (100%)	–	389,481,756
Company's share of net assets (49.90%)	–	194,351,396
Goodwill	–	14,638,344
Transition to IFRS 17	–	208,989,740
Carrying amount of interest in associate	–	80,301,878
Profit for the year	–	10,096,463
Other comprehensive income – Impact of foreign currency translation	–	90,398,341
Total comprehensive income (100%)		
Company's share of profit for the year	–	40,070,637
Company's share of other comprehensive income – Impact of foreign currency translation	–	5,038,135
Company's share of total comprehensive income (49.90%)	–	45,108,772

*As at 31 December 2024, the investment in the equity-accounted investee has been disposed of; therefore, current-year information is not presented.

12 STATUTORY DEPOSIT

The Company has deposited an amount of ⃁ 89.1 million (2023: ⃁ 89.1 million) with a local bank, which has been rated "A" by recognized rating agency representing the statutory deposit of 10% of its paid-up capital as required by the Implementing Regulations of the "Law On Supervision of Cooperative Insurance Companies" issued by Insurance Authority. This statutory deposit cannot be withdrawn without the consent of Insurance Authority. The statutory deposit generates special commission income which is accrued on regular basis and is shown as a separate line item as part of the liabilities in the Statement of Financial Position as "Accrued commission income payable to Insurance Authority". The accrued commission on the deposit as at 31 December 2024 is ⃁ 22,314,278 (2023: ⃁ 22,056,608) whereas accrued commission income payable to Insurance Authority as at 31 December 2024 is SR 29,046,147 (2023: ⃁ 25,982,468). The balance of ⃁ 6,731,869 at 31 December 2024 which is the difference between the accrued commission on deposit and the accrued commission payable to Insurance Authority (2023: ⃁ 3,925,860) is maintained in a separate account and presented within cash and bank balances as restricted cash.

13 MARGIN LOAN PAYABLE

In 2020, the Company obtained a margin loan amounting to ⃁ 23,116,816. During 2021, additional drawdown was made amounting to ⃁ 33,680,203. Both of margin loans were fully collateralized against underlying bonds and sukuk. As at 31 December 2024, the fair value of collateral against margin loan payable amount to ⃁ 151,340,899 (2023: ⃁ 149,055,664).

As at 31 December 2024, the outstanding balance of margin loan payable is ⃁ 56,797,019 (2023: ⃁ 56,797,019). The loan has no fixed maturity and carries a floating special commission payable on quarterly basis. Average commission rate for the year ended 31 December 2024 was 3.17% (2023: 2.95%).

14 ACCRUED EXPENSES AND OTHER LIABILITIES

	31 December 2024 ⃁	31 December 2023 ⃁
Employees bonus	**17,056,400**	15,200,003
Unallocated cash	**11,966,367**	20,904,948
Value added tax payable	**5,154,039**	16,828,231
Professional fees payable	**3,074,186**	3,984,394
Withholding tax payable	**2,546,944**	9,359,644
Directors' remunerations	**2,221,639**	2,157,534
Consultancy fees	**1,296,993**	4,138,971
Meetings fees and expenses	**1,225,000**	1,200,000
Others	**2,022,667**	3,090,363
	46,564,235	76,864,088

15 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

The movement in provision for employees' end of service benefits for the years ended 31 December are as follows:

	31 December 2024 ⃁	31 December 2023 ⃁
Balance at beginning of the year	18,633,092	13,867,730
Current service cost	1,586,288	1,138,684
Interest cost	858,089	636,989
Amount recognized in income statement	2,444,377	1,775,673
Re-measurement loss recognized in other comprehensive income	12,889,711	3,734,110
Benefits paid during the year	(3,615,638)	(744,421)
Balance at the end of the year	30,351,542	18,633,092

Principal actuarial assumptions

The principal actuarial assumptions used are as follows:

	31 December 2024	31 December 2023
Salary growth rate	8%	5%
Mortality rates	Permanent Assurances, Males, Combined – A1967/70 Mortality Table	Permanent Assurances, Males, Combined – A1967/70 Mortality Table
Disability rates	10% of the assumed mortality rate	10% of the assumed mortality rate
Discount rate	5.55%	5.10%

Assumption on withdrawal rates are as follows:

Employees' age	31 December 2024 (%)	31 December 2023 (%)
20 – 35	20	30
35 – 40	7	20
40 – 45	7	20
45 and above	–	–

Sensitivity analysis

Reasonably possible changes as to one of the relevant actuarial assumptions, holding other assumptions constant, the amount of defined benefit obligations would have been:

	31 December 2024		31 December 2023	
	Increase	**Decrease**	Increase	Decrease
Salary growth (0.5% movement)	**2,220,126**	**(2,041,595)**	776,387	(735,451)
Mortality rates (10% movement)	**(98,017)**	**78,853**	(8,436)	8,485
Discount rate (0.5% movement)	**(2,019,116)**	**2,216,797**	(698,665)	743,293
Withdrawal rate (50% movement)	**(1,975,529)**	**1,678,857**	(603,848)	592,999

Risks associated with defined benefit plans

Salary increase risk:

The retirement benefit of the Company is one where the benefit is linked with final salary. The risk arises when the actual salary increases are higher than expectation and impacts the liability accordingly.

Longevity risks

The risk arises when the actual lifetime of retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.

16 PROVISION FOR ZAKAT AND TAX

(a) Zakat

On 22 March 2024, the Zakat, Tax and Customs Authority (ZATCA) announced the issuance of a new Zakat Implementing Regulation, through the Ministerial Resolution (MR) No.1007 dated 29 February 2024, which was electronically published in the Official Gazette (Umm Al-Qura) on 21 March 2024. The Zakat calculation for the current year is based on the newly introduced rules.

Zakat charge for the year of ⃁ 30,451,578 (2023: ⃁ 33,870,444) is based on the following:

	31 December 2024 ⃁	31 December 2023 ⃁
Total additions	**2,192,789,578**	1,183,260,735
Deductions:		
Statutory deposit	**(89,100,000)**	(89,100,000)
Other non-current assets	**(956,638,938)**	(403,853,450)
Zakat base	**1,147,050,640**	690,307,285
Zakat base for Saudi shareholders 99.61% (2023: 99.60%)	**1,142,462,437**	687,546,056
Zakat provision for the year	**29,668,654**	33,870,444

(b) Income tax

Income tax for the year of ⃁ 1,235,577 (2023: ⃁ 262,185) is based on the following:

	31 December 2024 ⃁	31 December 2023 ⃁
Net income for the year	**505,715,873**	158,562,123
Adjusted profit	**541,390,124**	129,352,761
Portion of net taxable income for non-Saudi shareholders 0.39% (2023: 0.40%)	**2,111,421**	517,411
Non-GCC share in losses carried forward up to 25% of their share from the portion of taxable income	**(527,855)**	(129,314)
KSA operations' income tax base	**1,583,566**	388,097
Labuan branch income tax base	**30,628,814**	6,153,234
Income tax provision for the year	**1,235,577**	262,185

(c) The movement of the provision for Zakat and income tax is as follows:

	31 December 2024 ⃁	31 December 2023 ⃁
Opening balance	**41,548,376**	17,533,163
Income tax provision for the year	**1,235,577**	262,185
Zakat provision for the year	**29,668,654**	33,870,444
Paid during the year	**(30,781,182)**	(10,117,416)
Closing balance	**41,671,425**	41,548,376

Status of Zakat and Tax assessment

The Company has filed its tax and Zakat returns for the year ended 31 December 2023 and obtained the final Zakat certificate up to 2023. However, it is ZATCA's discretion to issue further assessments for 2021, 2022 and 2023. In October 2021, the ZATCA issued assessments for the years 2019 and 2020 with additional zakat and income tax liability amounting to ⃁ 3.1 million and ⃁ 4.2 million, respectively. The Company filed an appeal with Tax Committee for Resolution of Tax Violations and Disputes (Level 1) against this additional amount. On 8 September 2022, the Tax Violations and Disputes Committee (Level 1) concluded its hearing with the Company and ZATCA by issuing its verbal ruling wherein it overturned the ZATCA's assessment and ruled in favor of the Company.

Following the issuance of the written ruling, the ZATCA submitted an appeal to the Appellate Committee for Tax Violations and Disputes at the GSZTCC (i.e., GSZTCC level 2) on 30 October 2022 and 10 November 2022. The GSZTCC level 2 notified the Company about the appeal for the Company to submit a response. The Company responded to this on 27 December 2022. In December 2023, the GSZTCC (Level 2) issued its final ruling whereby it upheld ZATCA's appeal and cancelled the ruling issued in favor of the Company. The Company has settled this amount. Considering this decision, the Company has recorded provision for zakat for the years 2021 and 2022 amounting to ⃁ 4.6 million and ⃁ 6.3 million, respectively against non-deduction of deferred acquisition costs and excess of loss premiums from zakat base.

Status of VAT assessment

Zakat, Tax and Customs Authority (ZATCA) raised VAT assessment for 2018 and 2019 financial years amounting to ⃁ 35 million (2023: ⃁ 35 million). The ZATCA accepted the Company's objection regarding local and standard rated purchases and refunded the full amount of ⃁ 3.5 million in early 2021 and rejected the objection for remaining amount. After multiple appeals, the General Secretariat of Zakat, Tax and Customs Committees ("GSZTCC") ruled in favour of the Company on 30 October 2023. The Company requested a refund from ZATCA on 9 July 2024 for the accepted amounts, excluding November 2019 and October 2018, and has received the refund.

ZATCA's assessment of VAT return – tax years 2021 & 2022

On 22 June 2023 ZATCA audited the Company for the years 2021 and 2022. On 8 October 2024, ZATCA concluded additional VAT on retrocession commission for 2021 and 2022 amounting to ⃁ 3.7 million. ZATCA issued a final assessment of ⃁ 3.7 million. The Company intends to object this additional VAT for both of the years 2021 and 2022 based on the final assessment and plans to escalate the appeal to the committee if ZATCA rejected the objection. Considering the circumstances of the case and outcomes from the previous cases, the Company, in consultation with its tax advisor, is of the view that there are appropriate grounds to defend the position against the ZATCA's assessment.

17 SHARE CAPITAL

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

The issued and paid-up capital of the Company was ⃁ 891 million at 31 December 2024 (31 December 2023: ⃁ 891 million) consisting of 89.1 million shares (31 December 2023: 89.1 million shares) of ⃁ 10 each. On 24 December 2024, shareholders approved recommendation of the Company's Board of Directors to increase its capital by issuing 26,730,000 new ordinary shares with suspension of pre-emptive rights increasing the authorized capital from ⃁ 891 million to ⃁ 1,158.3 million. Shareholding structure of the Company is as below. The shareholders of the Company are subject to zakat and income tax.

On 4 July 2024 (corresponding to 28/12/1445H), the Board of Directors recommended to increase the Company's capital by issuing new ordinary shares (representing 30% of the Company's current capital) with a nominal value of 10 Saudi Riyals per share, at an offer price of 16 Saudi Riyals per share and with a total offer value of 427,680,000 which will be fully subscribed by the Public Investment Fund (PIF). PIF's ownership will be 23.08% of the Company's capital post-increase. On 16 July 2024, the Company received the approval of the Insurance Authority. Following the approval of CMA and Tadawul, the Company's EOGM held on 24 December 2024 approved the increase in capital amounting to ⃁ 267.3 million. The shares were issued and proceeds from the capital increase has been received subsequent to the year end.

	31 December 2024		
	Issued		Paid up
	No. of shares	Value per share	⃁
General public	89,100,000	10	891,000,000
	89,100,000	10	891,000,000

	31 December 2023		
	Issued		Paid up
	No. of shares	Value per share	⃁
Ahmed Hamad Algosaibi Brothers Co.	4,455,000	10	44,550,000
General public	84,645,000	10	846,450,000
	89,100,000	10	891,000,000

18 STATUTORY RESERVE

In accordance with the Company's by–laws and Article 70 (2g) of the Insurance Implementing Regulations issued by Insurance Authority, a minimum of 20% of the annual net income is required to be transferred to a statutory reserve until this reserve equals the paid-up capital of the Company. This reserve is not available for distribution.

19 REINSURANCE REVENUE

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	P&C	L&H	Total	P&C	L&H	Total
Amounts relating to changes in LRC						
CSM recognized for services provided	225,625,241	2,804,593	228,429,834	207,941,383	2,019,677	209,961,060
Change in risk adjustment for non-financial risk for the risk expired after loss component allocation	10,374,519	524,999	10,899,518	143,331	71,713	215,044
Expected incurred claims and other directly attributable expenses	753,130,537	40,456,349	793,586,886	528,370,498	35,743,300	564,113,798
Experience adjustments – arising from premiums received in the year other than those that relate to future services	55,653,502	2,043,047	57,696,549	(145,418,874)	(16,587,176)	(162,006,050)
Reinsurance acquisition cash flows recovery	36,984,305	2,369,168	39,353,473	13,249,987	1,653,186	14,903,173
	1,081,768,104	48,198,156	1,129,966,260	604,286,325	22,900,700	627,187,025

20 REINSURANCE SERVICE EXPENSES

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	P&C	L&H	Total	P&C	L&H	Total
Incurred claims and other directly attributable expenses	(908,171,135)	(37,335,209)	(945,506,344)	(575,676,297)	(35,529,673)	(611,205,970)
Reinsurance acquisition cash flows amortization	(36,984,305)	(2,369,168)	(39,353,473)	(13,249,987)	(1,653,186)	(14,903,173)
Losses on onerous contracts and reversal of those losses	(112,871,048)	(401,849)	(113,272,897)	(130,670,304)	(2,207,030)	(132,877,334)
Changes that relate to past service – adjustments to the LIC	106,693,643	3,616,648	110,310,291	224,257,758	24,954,440	249,212,198
	(951,332,845)	(36,489,578)	(987,822,423)	(495,338,830)	(14,435,449)	(509,774,279)

21 NET INCOME FROM RETROCESSION CONTRACTS

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	P&C	L&H	Total	P&C	L&H	Total
Allocation of retrocession premiums paid	(206,515,160)	(261,364)	(206,776,524)	(46,270,746)	(110,500)	(46,381,246)
Income on initial recognition of onerous underlying reinsurance contracts	4,354,709	192	4,354,901	31,224,779	788	31,225,567
Recoveries of incurred claims and other reinsurance services	276,538,355	–	276,538,355	103,581,069	874	103,581,943
Recoveries and reversals of recoveries of losses on onerous underlying contracts, net	(6,309,716)	(6,672)	(6,316,388)	(27,830,578)	(806)	(27,831,384)
Adjustments to assets for incurred claims	(68,561,821)	(68,868)	(68,630,689)	(53,579,987)	(264,227)	(53,844,214)
Changes that relate to future service	(619,546)	1,577	(617,969)	(2,997,509)	5,075	(2,992,434)
Effect of changes in the risk of retrocessionaires' non-performance	1,837,012	(135)	1,836,877	(1,409,134)	402	(1,408,732)
	723,833	(335,270)	388,563	2,717,894	(368,394)	2,349,500

22 NET FINANCE EXPENSE FROM REINSURANCE CONTRACTS ISSUED

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	P&C	**L&H**	**Total**	P&C	L&H	Total
Interest accreted	**(65,410,563)**	**(3,112,257)**	**(68,522,820)**	(36,799,809)	(4,724,544)	(41,524,353)
Effect of changes in interest rates and other financial assumptions	**7,245,619**	**315,339**	**7,560,958**	(25,750,832)	(97,757)	(25,848,589)
Effects of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition	**(570,537)**	**(40,993)**	**(611,530)**	7,485,091	800,002	8,285,093
Foreign exchange differences	**12,202,910**	**(155,788)**	**12,047,122**	3,806,156	431,144	4,237,300
	(46,532,571)	**(2,993,699)**	**(49,526,270)**	(51,259,394)	(3,591,155)	(54,850,549)

23 NET FINANCE INCOME FROM RETROCESSION CONTRACTS HELD

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	P&C	**L&H**	**Total**	P&C	L&H	Total
Interest accreted	**16,535,667**	**(18,601)**	**16,517,066**	**2,420,632**	**(6,592)**	**2,414,040**
Effect of changes in interest rates and other financial assumptions	**(984,980)**	**296**	**(984,684)**	**115,885**	**(659)**	**115,226**
Effect of measuring changes in estimates at current rates and adjusting the CSM at locked-in rates	**(3,603,045)**	**–**	**(3,603,045)**	**17,673,916**	**(1)**	**17,673,915**
Foreign exchange differences	**168,037**	**(1)**	**168,036**	**21,719**	**3**	**21,722**
	12,115,679	**(18,306)**	**12,097,373**	**20,232,152**	**(7,249)**	**20,224,903**

24 INVESTMENT INCOME CALCULATED USING EFFECTIVE PROFIT RATE

	31 December 2024 ⃁	31 December 2023 ⃁
Special commission income from time deposits	**50,053,523**	39,794,920
Special commission income from debt securities	**18,186,666**	13,483,563
	68,240,189	53,278,483

25 NET INCOME/(LOSS) FROM FINANCIAL INVESTMENTS MEASURED AT FAIR VALUE

	Note	**31 December 2024 ⃁**	31 December 2023 ⃁
Realized gains/(losses) on investments measured at FVIS		**15,946,925**	(18,672)
Unrealized (losses)/gains on investments measured at FVIS		**(7,410)**	4,871,961
Income from Tier 1 Sukuk		**8,590,914**	5,181,590
Loss on forward contract	11	**(10,637,972)**	–
Dividend income		**522,095**	1,390,123
		14,414,552	11,425,002

26 OTHER INCOME

	31 December 2024 ⃁	31 December 2023 ⃁
Special commission income from Funds at Lloyds (FAL)	**7,925,026**	5,829,047
Others	**852,630**	506,928
	8,777,656	6,335,975

27 OTHER OPERATING EXPENSES

	31 December 2024 ⃁	31 December 2023 ⃁
Salaries and related benefits	**56,974,230**	58,180,326
Income attributed to reinsurance operations	**12,331,223**	9,924,417
Professional fees	**9,887,321**	8,832,191
Foreign exchange loss	**7,113,828**	3,122,759
Board of Directors' remunerations, meetings fees and expenses	**4,586,261**	4,419,618
Depreciation	**3,340,087**	2,713,931
Consulting fees	**2,759,094**	5,061,011
Licensing fees	**2,658,173**	2,081,452
Computer expenses	**1,783,646**	1,105,743
Travelling expenses	**1,750,714**	1,404,715
Advertising	**1,463,538**	775,513
Rent and premises expenses	**907,976**	792,007
Withholding tax	**495,984**	244,355
Reversal of doubtful debts	**–**	(9,610,640)
Others	**4,019,490**	3,381,789
	110,071,565	92,429,187
Amount attributed to reinsurance contracts	**(61,016,591)**	(60,737,874)
Other operating expenses	**49,054,974**	**31,691,313**

27.1 Auditors' remuneration for the statutory audit of the Company's Financial Statements for the year ended 31 December 2024 amounted to ⃁ 2.805 million (2023: ⃁ 2.36 million). Auditors' remuneration for the review of the Company's Interim Financial Statements during the year ended 31 December 2024 amounted to ⃁ 0.875 million (2023: ⃁ 1.18 million).

Auditors' remuneration for the non-audit services during the year ended 31 December 2024 amounted to SR 0.144 million (2023: nil).

28 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended 31 December 2024 and 31 December 2023 have been calculated by dividing net profit after zakat and tax for the year by the weighted average number of ordinary shares issued and outstanding at the end of the year. Basic and diluted earnings per share are same as there are no instruments which will dilute the basic earnings per share.

29 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent associate and key management personnel of the Company. The Company transacts with its related parties in the ordinary course of business at commercial rates, which are approved by the Management.

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly and comprise top management executives including the Chief Executive Officer and the Chief Financial Officer of the Company. Balances with related parties are included in accrued expenses and other liabilities and provision for employees' end of service benefits as shown in the statement of financial position. Details of transactions and balances with related parties during the period are disclosed below.

Related party	Nature of transactions	Terms	Amount of transactions for the year ended		Balance as at	
			31 December 2024 SR	31 December 2023 SR	**31 December 2024 SR**	31 December 2023 SR
Board of Directors	– Remunerations, meetings fees and expenses	As per Company's policy	**4,586,261**	4,419,618	**3,161,639**	3,357,534
Key management personnel	– Short term benefits	As per employment contract	**15,070,304**	12,938,492	**5,399,594**	5,309,274
	– End of service benefits		**2,139,871**	629,180	**5,263,578**	6,729,909
Associate*	– Net receipts	As per reinsurance contract	**–**	11,157,829	**–**	–

*The investment in associate is not related party as at 31 December 2024 as the sale was completed on 9 July 2 024 (Refer Note 11).

30 SEGMENTAL INFORMATION

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief decision maker in order to allocate resources to the segments and to assess its performance (Refer accounting policies for aggregation of segmental reporting).

Segment results do not include investment income calculated using effective profit rate, net income from financial investments measured at FVIS, gain on sale of an equity accounted investee, investment management expenses, net expected credit losses, other income, other finance costs, other operating expenses and share profit of equity accounted investee.

Segment assets do not include cash and bank balances, financial investments at FVIS, financial investments at FVOCI, financial investments at amortized cost, prepaid expenses, deposits and other assets, and property and equipment (net), intangible assets, investment in an equity accounted investee, statutory deposit and accrued income on statutory deposit. Segment liabilities do not include margin loan payable, accrued expenses and other liabilities, provision for employees' end of service benefits, provision for zakat and tax and accrued commission income payable to insurance authority.

30.1 Business segments

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	Property & Casualty	**Life & Health**	**Total**	Property & Casualty	Life & Health	Total
Reinsurance revenue	**1,081,768,104**	**48,198,156**	**1,129,966,260**	604,286,325	22,900,700	627,187,025
Reinsurance service expenses	**(951,332,845)**	**(36,489,578)**	**(987,822,423)**	(495,338,830)	(14,435,449)	(509,774,279)
Net income/(expense) from retrocession contracts held	**723,833**	**(335,270)**	**388,563**	2,717,894	(368,394)	2,349,500
Reinsurance service results	**131,159,092**	**11,373,308**	**142,532,400**	111,665,389	8,096,857	119,762,246
Net finance expense from reinsurance contracts	**(46,532,571)**	**(2,993,699)**	**(49,526,270)**	(51,259,394)	(3,591,155)	(54,850,549)
Net finance income/(expense) from retrocession contracts	**12,115,679**	**(18,306)**	**12,097,373**	20,232,152	(7,249)	20,224,903
Net reinsurance finance (expense)/income	**(34,416,892)**	**(3,012,005)**	**(37,428,897)**	(31,027,242)	(3,598,404)	(34,625,646)
Other non-reinsurance items						
Investment income calculated using effective profit rate			**68,240,189**			53,278,483
Net income from financial investments measured at fair value			**14,414,552**			11,425,002
Gain on sale of an equity accounted investee			**365,949,388**			–
Investment management expenses			**(9,619,291)**			(4,207,747)
Net expected credit losses			**1,196,586**			(108,091)
Other income			**8,777,656**			6,335,975
Special commission expense			**(1,802,326)**			(1,677,423)
Other operating expenses			**(49,054,974)**			(31,691,313)
Share of profit of equity accounted investee			**2,510,590**			40,070,637
Net profit for the year before zakat and tax			**505,715,873**			158,562,123

	31 December 2024 (⃁)				31 December 2023 (⃁)			
	Property & Casualty	**Life & Health**	**Unallocated**	**Total**	Property & Casualty	Life & Health	Unallocated	Total
ASSETS								
Cash and bank balances	–	–	73,464,920	73,464,920	–	–	87,905,002	87,905,002
Financial investments at FVIS	–	–	94,824,666	94,824,666	–	–	154,455,986	154,455,986
Financial investments at FVOCI	–	–	285,914,854	285,914,854	–	–	141,632,674	141,632,674
Financial investments at amortized cost	–	–	1,916,208,117	1,916,208,117	–	–	1,127,330,016	1,127,330,016
Reinsurance contract assets	90,813,930	1,314,550	–	92,128,480	76,376,550	1,450,737	–	77,827,287
Retrocession contract assets	627,927,506	–	–	627,927,506	439,593,167	–	–	439,593,167
Prepaid expenses, deposits and other assets	–	–	180,820,946	180,820,946	–	–	195,601,639	195,601,639
Property and equipment, net	–	–	29,553,225	29,553,225	–	–	30,524,514	30,524,514
Intangible assets	–	–	6,162,531	6,162,531	–	–	6,614,676	6,614,676
Investment in an equity accounted investee	–	–	–	–	–	–	208,989,740	208,989,740
Statutory deposit	–	–	89,100,000	89,100,000	–	–	89,100,000	89,100,000
Accrued income on statutory deposit	–	–	22,314,278	22,314,278	–	–	22,056,608	22,056,608
TOTAL ASSETS	**718,741,436**	**1,314,550**	**2,698,363,537**	**3,418,419,523**	515,969,717	1,450,737	2,064,210,855	2,581,631,309
LIABILITIES								
Margin loan payable	–	–	56,797,019	56,797,019	–	–	56,797,019	56,797,019
Reinsurance contract liabilities	1,559,745,794	25,396,015	–	1,585,141,809	1,185,084,289	29,710,285	–	1,214,794,574
Retrocession contract liabilities	16,875,358	56,662	–	16,932,020	–	189,653	–	189,653
Accrued expenses and other liabilities	–	–	46,564,235	46,564,235	–	–	76,864,088	76,864,088
Provision for employees' end of service benefits	–	–	30,351,542	30,351,542	–	–	18,633,092	18,633,092
Provision for zakat and tax	–	–	41,671,425	41,671,425	–	–	41,548,376	41,548,376
Accrued commission income payable to Insurance Authority	–	–	29,046,147	29,046,147	–	–	25,982,468	25,982,468
TOTAL LIABILITIES	**1,576,621,152**	**25,452,677**	**204,430,368**	**1,806,504,197**	1,185,084,289	29,899,938	219,825,043	1,434,809,270

30.2 Geographical segments

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	Local	International	Total	Local	International	Total
Reinsurance revenue	479,877,407	650,088,853	1,129,966,260	216,820,889	410,366,136	627,187,025
Reinsurance service expenses	(251,222,724)	(736,599,699)	(987,822,423)	(154,192,074)	(355,582,205)	(509,774,279)
Net (expense)/income from retrocession contracts held	(118,074,097)	118,462,660	388,563	24,178,478	(21,828,978)	2,349,500
Reinsurance service results	110,580,586	31,951,814	142,532,400	86,807,293	32,954,953	119,762,246
Net finance expense from reinsurance contracts	(24,558,919)	(24,967,351)	(49,526,270)	(34,108,196)	(20,742,353)	(54,850,549)
Net finance income/(expense) from retrocession contracts	10,100,327	1,997,046	12,097,373	18,492,475	1,732,428	20,224,903
Net reinsurance finance (expense)/income	(14,458,592)	(22,970,305)	(37,428,897)	(15,615,721)	(19,009,925)	(34,625,646)
Other non-reinsurance items						
Investment income calculated using effective profit rate			68,240,189			53,278,483
Net income from financial investments measured at fair value			14,414,552			11,425,002
Gain on sale of an equity accounted investee			365,949,388			–
Investment management expenses			(9,619,291)			(4,207,747)
Net expected credit losses			1,196,586			(108,091)
Other income			8,777,656			6,335,975
Special commission expense			(1,802,326)			(1,677,423)
Other operating expenses			(49,054,974)			(31,691,313)
Share of profit of equity accounted investee			2,510,590			40,070,637
Net profit for the year before zakat and tax			505,715,873			158,562,123

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	Local	International	Total	Local	International	Total
ASSETS						
Cash and bank balances	63,747,573	9,717,347	73,464,920	76,380,947	11,524,055	87,905,002
Financial investments at fair value through income statement	94,824,666	–	94,824,666	154,455,986	–	154,455,986
Financial investments at fair value through other comprehensive income	282,228,979	3,685,875	285,914,854	138,039,424	3,593,250	141,632,674
Financial investments at amortized cost	1,827,235,121	88,972,996	1,916,208,117	1,030,935,919	96,394,097	1,127,330,016
Reinsurance contract assets	8,887,015	83,241,465	92,128,480	3,803,724	74,023,563	77,827,287
Retrocession contract assets	391,463,472	236,464,034	627,927,506	370,158,250	69,434,917	439,593,167
Prepaid expenses, deposits and other assets	12,125,310	168,695,636	180,820,946	45,861,372	149,740,267	195,601,639
Property and equipment, net	29,553,225	–	29,553,225	30,524,514	–	30,524,514
Intangible assets	6,162,531	–	6,162,531	6,614,676	–	6,614,676
Investment in an equity accounted investee	–	–		–	208,989,740	208,989,740
Statutory deposit	89,100,000	–	89,100,000	89,100,000	–	89,100,000
Accrued income on statutory deposit	22,314,278	–	22,314,278	22,056,608	–	22,056,608
TOTAL ASSETS	2,827,642,170	590,777,353	3,418,419,523	1,967,931,420	613,699,889	2,581,631,309
LIABILITIES						
Margin loan payable	–	56,797,019	56,797,019	–	56,797,019	56,797,019
Reinsurance contract liabilities	703,646,506	881,495,303	1,585,141,809	609,983,331	604,811,243	1,214,794,574
Retrocession contract liabilities	16,920,541	11,479	16,932,020	79,308	110,345	189,653
Accrued expenses and other liabilities	46,564,235	–	46,564,235	76,864,088	–	76,864,088
Provision for employees' end of service benefits	30,351,542	–	30,351,542	18,633,092	–	18,633,092
Provision for zakat and tax	41,671,425	–	41,671,425	41,548,376	–	41,548,376
Accrued commission income payable to Insurance Authority	29,046,147	–	29,046,147	25,982,468	–	25,982,468
TOTAL LIABILITIES	868,200,396	938,303,801	1,806,504,197	773,090,663	661,718,607	1,434,809,270

31 RISK MANAGEMENT

Reinsurance contracts expose the Company to underwriting risk, which comprises reinsurance risk and expense risk.

Underwriting risk comprises reinsurance risk and expense risk.

- **Reinsurance risk:** the risk transferred from the insurer to the Company, other than financial risk. Reinsurance risk arises from the inherent uncertainty about the occurrence, amount or timing of claims.
- **Expense risk:** the risk of unexpected increases in the administrative costs associated with the servicing of a contract (rather than in the costs associated with insured events).

In addition, the Company is exposed to financial and operational risks from reinsurance and retrocession contracts and financial instruments. Financial risks include credit risk, liquidity risk and market risk. Market risk comprises currency risk, interest rate risk and other price risk.

This note presents information about the Company's risk exposures, and the Company's objectives, policies and processes for measuring and managing risks and for managing capital.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company Risk Committee is responsible for approving and monitoring the Company's risk management policies, and reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, set appropriate risk limits and controls, and monitor adherence to risk limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. It is assisted in its oversight role by internal audit, which undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Company's Audit Committee.

31.1 Reinsurance risk

The risk resulting from reinsurance business written is the risk that an insured event will occur including the uncertainty of the amount and timing of any resulting claim. The principal risk the Company faces under such reinsurance contracts is that the actual claims and benefit payments exceed the carrying amount of reinsurance liabilities. This is influenced by the frequency of claims, severity of claims, actual benefits paid being greater than originally estimated and subsequent development of long-term claims.

The variability of risks is improved by the diversification of the risks written and the build-up of a large portfolio of reinsurance contracts, (inward business) as a more diversified portfolio is less likely to be affected across the board by change in any subset of the portfolio. The variability of risks is also improved by a careful selection of inward business, by the underwriting guidelines as well as the use of retrocession protection. The Company's underwriting strategy includes, but is not limited to, the following:

- Diversification in the type of accepted risks, and within each of these categories to achieve sufficiently large population of risks to reduce the variability of the expected outcome.
- Diversification of the underwriting risks in terms of type and amount of risk, industry and geographical location.

In order to minimize its financial exposure arising from large claims, the Company in the normal course of business, enters into retrocession agreements with other parties. Such retrocession agreements provide for higher underwriting capacity, and allow management to contain exposure with the risk appetite of the Company. The retrocession is effected under proportional treaties such as proportional and non-proportional treaties such as excess of loss for risk and catastrophe to ensure its net retention is aligned with its risk tolerance.

Although the Company has retrocession agreements, it is not relieved of its direct obligations to its ceding companies and thus a credit exposure exists with respect to its retrocessionaires, to the extent that any retrocessionaire is unable to meet its obligations assumed under such retrocession agreements.

Concentration of underwriting risk

The Company accepts reinsurance business from insurance companies in the Kingdom of Saudi Arabia, the Middle East, Africa and Asia. The following table sets out the carrying amounts of the Company's reinsurance contracts (net of retrocession) by region of issue.

	As at 31 December 2024	
	Amount ⃁	**Percentage %**
Kingdom of Saudi Arabia	**320,216,560**	**36.30**
Asia	**486,697,475**	**55.18**
Other Middle Eastern Countries	**153,279,877**	**17.38**
Africa	**(2,772,523)**	**(0.31)**
Others	**(75,403,546)**	**(8,55)**
	882,017,843	**100.00**

	As at 31 December 2023	
	Amount ⃁	Percentage (%)
Kingdom of Saudi Arabia	236,100,665	33.85
Asia	410,965,123	58.91
Other Middle Eastern Countries	112,905,922	16.19
Africa	6,521,346	0.93
Others	(68,929,283)	(9.88)
	697,563,773	100.00

The Company monitors concentration of risk by evaluating multiple risks covered in the same geographical location or by same party. For flood or earthquake risk, a complete city is classified as a single location. For fire and property risk a particular building and neighboring buildings, which could be affected by a single claim incident, are considered as a single location. Similarly, for individual marine risk, multiple risks covered in a single vessel voyage are considered as a single risk while assessing concentration of risk, however, for treaties where there are multiple risks covered, there are limits for unknown accumulation. The Company evaluates the concentration of exposures to individual and cumulative insurance risks and establishes its reinsurance policy to reduce such exposures to the levels acceptable to the Company.

Sensitivity analysis

The table below analyses how the reinsurance liabilities, profit or loss and equity would have increased (decreased) if changes in expenses, yield curve and loss reserves that were reasonably possible at the reporting date had occurred. This analysis presents the sensitivities both before and after risk mitigation by retrocession and assumes that all other variables remain constant.

31 December 2024	**Contract liabilities ⃁**		**Profit or loss ⃁**		**Equity ⃁**	
	Gross	**Net**	**Gross**	**Net**	**Gross**	**Net**
Expenses (5% increase)	**1,609,412**	**1,604,674**	**(1,609,412)**	**(1,604,674)**	**(1,609,412)**	**(1,604,674)**
Expenses (5% decrease)	**(1,609,402)**	**(1,604,664**	**1,609,402**	**1,604,664**	**1,609,402**	**1,604,664**
Yield curve (0.5% increase)	**(1,476,681)**	**(667,940)**	**1,476,681**	**667,940**	**1,476,681**	**667,940**
Yield curve (0.5% decrease)	**1,479,238**	**668,686**	**(1,479,238)**	**(668,686)**	**(1,479,238)**	**(668,686)**
Loss reserves (5% increase)	**115,293,070**	**95,165,091**	**(115,293,070)**	**(95,165,091)**	**(115,293,070)**	**(95,165,091)**
Loss reserves (5% increase)	**(115,293,063)**	**(95,165,083)**	**115,293,063**	**95,165,083**	**115,293,063**	**95,165,083**

31 December 2023	Contract liabilities ⃁		Profit or loss ⃁		Equity ⃁	
	Gross	Net	Gross	Net	Gross	Net
Expenses (5% increase)	3,498,560	3,321,906	(3,498,560)	(3,321,906)	(3,498,560)	(3,321,906)
Expenses (5% decrease)	(3,498,415)	(3,321,766)	3,498,415	3,321,766	3,498,415	3,321,766
Yield curve (0.5% increase)	(18,354,406)	(9,866,481)	18,354,406	9,866,481	18,354,406	9,866,481
Yield curve (0.5% decrease)	19,012,776	10,084,232	(19,012,776)	(10,084,232)	(19,012,776)	(10,084,232)
Loss reserves (5% increase)	93,815,166	81,408,763	(93,815,166)	(81,408,763)	(93,815,166)	(81,408,763)
Loss reserves (5% increase)	(93,815,167)	(81,408,764)	93,815,167	81,408,764	93,815,167	81,408,764

31.2 Retrocession risk

In order to minimize its financial exposure arising from claims, the Company in the normal course of business, enters into retrocession agreements with other parties. Amounts recoverable from retrocessionare are estimated and recognized in a manner consistent with the amounts associated with the underlying accepted policy benefits and in accordance with the terms of the respective retrocession treaties and are presented in the statement of financial position as retrocession assets.

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

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

a. Minimum acceptable credit rating by recognized rating agencies that is not lower than BBB or equivalent.
b. Reputation of particular retrocessionaire companies.
c. Existing or past business experience with the retrocessionaire.

Furthermore, the financial strength, managerial and technical expertise as well as historical performance, wherever applicable, are thoroughly reviewed by the Company and matched against a list of requirements pre-set by the Company's Board of Directors and Risk and Underwriting Committee before approving them as retrocessionaires.

Retrocession contracts do not relieve the Company from its obligations to ceding companies and as a result the Company remains liable for the portion of outstanding claims retroceded to the extent that the retrocessionaire fails to meet the obligations under the retrocession agreements. The net credit exposure in this connection is ⃁ 610.99 million (due from retrocessionaires) (2023: ⃁ 439.6 million). The credit ratings of the retrocessionaires ranges from B+ to AA (2023: B+ to AA).

31.3 Regulatory framework risk

The operations of the Company are subject to local regulatory requirements in the Kingdom of Saudi Arabia. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions such as capital adequacy to minimize the risk of default and insolvency on the part of the reinsurance companies and to enable them to meet unforeseen liabilities as these arise. The Company has stipulated risk management framework policy wherein the policies and procedures are defined to control and mitigate risk.

31.4 Claims management risk

Claims management risk may arise within the Company in the event of inaccurate or incomplete case reserves and claims settlements, poor service quality or excessive claims handling costs. These risks may damage the Company and undermine its ability to win and retain business, or incur punitive damages. These risks can occur at any stage of the claims life cycle.

The Company's claims teams are focused on delivering quality, reliable and speed of service. Their aim is to adjust and process claims in a fair, efficient and timely manner, in accordance with the policy's terms and conditions, the regulatory environment, and the business' broader interests. Prompt and accurate case reserves are set for all known claims liabilities, including provisions for expenses, as soon as a reliable estimate can be made of the claims liability.

31.5 Credit risk

Credit risk is the risk that one party will fail to discharge an obligation related to a financial instrument and cause the other party to incur a financial loss. At 31 December 2024, the maximum exposure to credit risk from reinsurance contracts is ⃁ 65.08 million (2023: ⃁ 35.49 million), which primarily relates to premiums receivable for services that the Company has already provided. The following policies and procedures are in place to mitigate the Company's exposure to credit risk:

- To minimize its exposure to significant losses from retrocessionaires insolvencies, the Company evaluates the financial condition of its retrocessionaires counterparties. Accordingly, as a pre-requisite, the parties with whom retrocession is effected are required to have a minimum acceptable security rating level affirming their financial strength.
- The Company, with respect to credit risk arising from other financial assets, only deals with commercial banks with strong financial position and credit ratings.
- The Company enters into inward insurance contracts with recognized, creditworthy third parties. In addition, receivables from ceding companies are monitored on an ongoing basis in order to reduce the Company's exposure to bad debts.
- The Company seeks to limit credit risk with respect to ceding companies through monitoring outstanding receivables.

The table below shows the maximum exposure to credit risk for the financial assets, reinsurance and retrocession contract assets of the statements of financial position.

	31 December 2024 ⃁	31 December 2023 ⃁
Bank balances	73,424,630	87,865,592
Financial investments at amortized cost	1,916,208,117	1,127,330,016
Reinsurance contract assets	92,128,480	77,827,287
Retrocession contract assets	627,927,506	439,593,167
Other assets	170,994,954	154,497,467
	2,880,683,687	1,887,113,529

The credit quality for investments at amortized cost are as follows:

Credit quality	Credit Rating Agency	Financial Instruments	31 December 2024 ⃁	31 December 2023 ⃁
A			453,634,772	291,407,260
A-			369,457,116	588,487,071
AA			1,005,678,999	–
A+			–	10,021,774
B+	Moody's/Fitch	Bonds/Sukuks/Time Deposits	43,928,546	47,812,885
BB-			–	98,777,286
BBB-			42,512,736	11,339,263
BBB+			–	78,782,463
D			995,948	702,014
			1,916,208,117	1,127,330,016

31.6 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with its financial liabilities. Liquidity requirements are monitored on a monthly basis and management ensures that sufficient liquid funds are available to meet any commitments as they arise. All time deposits held by the Company at the statement of financial position date had original maturity periods less than five years.

Maturity profiles

The following table provides a maturity analysis of the Company's reinsurance and retrocession contracts, margin loan payable and accrued expenses and liabilities, which reflects the dates on which the cash flows are expected to occur.

	31 December 2024 (⃁)						
	Up to 1 year	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
LIABILITIES							
Margin loan payable	**–**	**–**	**–**	**–**	**–**	**56,797,019**	**56,797,019**
Reinsurance contract liabilities	**(42,756,440)**	**126,672,206**	**156,676,577**	**179,255,059**	**135,479,181**	**410,336,594**	**965,663,177**
Retrocession contract liabilities	**140,955,925**	**(59,643,449)**	**(10,093,668)**	**(1,078,169)**	**107,939**	**(409,724)**	**69,838,854**
Accrued expenses and other liabilities	**38,863,252**	**–**	**–**	**–**	**–**	**–**	**38,863,252**
Accrued insurance commission payable to Insurance Authority	**29,046,147**	**–**	**–**	**–**	**–**	**–**	**29,046,147**
	166,108,884	**67,028,757**	**146,582,909**	**178,176,890**	**135,587,120**	**466,723,889**	**1,160,208,449**

	31 December 2023 (⃁)						
	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
LIABILITIES							
Margin loan payable	–	–	–	–	–	56,797,019	56,797,019
Reinsurance contract liabilities	(44,589,187)	110,825,572	137,076,410	156,830,335	118,530,799	359,003,677	837,677,606
Retrocession contract liabilities	194,569	–	–	–	–	–	194,569
Accrued expenses and other liabilities	50,676,213	–	–	–	–	–	50,676,213
Accrued insurance commission payable to Insurance Authority	25,982,468	–	–	–	–	–	25,982,468
	32,264,063	**110,825,572**	**137,076,410**	**156,830,335**	**118,530,799**	**415,800,696**	**971,327,875**

Maturity analysis on expected maturity bases

	31 December 2024 (⃁)		
	Current	**Non-current**	**Total**
ASSETS			
Cash and bank balances	**73,464,920**	**–**	**73,464,920**
Financial investments at fair value through income statement	**94,824,666**	**–**	**94,824,666**
Financial investments at fair value through other comprehensive income	**–**	**285,914,854**	**285,914,854**
Financial investments at amortized cost	**249,205,166**	**1,667,002,951**	**1,916,208,117**
Reinsurance contract assets	**21,272,466**	**70,856,014**	**92,128,480**
Retrocession contract assets	**127,532,077**	**500,395,429**	**627,927,506**
Other assets	**2,299,318**	**168,695,636**	**170,994,954**
	568,598,613	**2,692,864,884**	**3,261,463,497**
LIABILITIES			
Margin loan payable	**–**	**56,797,019**	**56,797,019**
Reinsurance contract liabilities	**116,007,896**	**1,469,133,913**	**1,585,141,809**
Retrocession contract liabilities	**3,438,893**	**13,493,127**	**16,932,020**
Accrued expenses and other liabilities	**38,863,252**	**–**	**38,863,252**
Accrued insurance commission payable to Insurance Authority	**29,046,147**	**–**	**29,046,147**
	187,356,188	**1,539,424,059**	**1,726,780,247**
Gap	**381,242,425**	**1,153,440,825**	**1,534,683,250**

	31 December 2023 (⃁)		
	Current	Non-current	Total
ASSETS			
Cash and bank balances	87,905,002	–	87,905,002
Financial investments at fair value through income statement	154,455,986	–	154,455,986
Financial investments at fair value through other comprehensive income	–	141,632,674	141,632,674
Financial investments at amortized cost	118,393,782	1,008,936,234	1,127,330,016
Reinsurance contract assets	17,615,800	60,211,487	77,827,287
Retrocession contract assets	81,416,048	358,177,119	439,593,167
Other assets	4,757,200	149,740,267	154,497,467
	464,543,818	1,718,697,781	2,183,241,599
LIABILITIES			
Margin loan payable	–	56,797,019	56,797,019
Reinsurance contract liabilities	45,555,310	1,169,239,264	1,214,794,574
Retrocession contract liabilities	189,653	–	189,653
Accrued expenses and other liabilities	50,676,213	–	50,676,213
Accrued insurance commission payable to Insurance Authority	25,982,468	–	25,982,468
	122,403,644	1,226,036,283	1,348,439,927
Gap	342,140,174	492,661,498	834,801,672

31.7 Special commission rate risk

The Company is exposed to special commission rate risk on its bonds and sukuk investments. Special Commission rate risk arises on bonds and sukuk which are exposed to the fluctuations in special commission rates. The Company manages special commission rate risk by investing in various long and short duration financial assets, along with cash and cash equivalents. The Investment Committee monitors the duration of these assets on a regular basis. Duration of Reinsurance operations and Shareholders operations' investments in bonds and sukuk portfolios as at 31 December 2024 is around 4.44 years (2023: 3.3 years). A hypothetical increase/decrease of 10 basis points in yield curve will entail decrease/increase in bond/sukuk portfolio values of Reinsurance operations and Shareholders operations' investments by ⃁ 5.34 million as at 31 December 2024 (2023: ⃁ 1.25 million).

Market price risk

Market price risk is the risk that the fair value of a financial instrument will fluctuate caused by the factors (other than those arising from commission rate risk or currency risk), that affect all financial instruments traded in the market. Efficient management of market price risk is key to the investment of Company assets. Appropriate levels of investment risk is determined by risk/return profile of the assets. The Company has a diversified portfolio of investments, including investment in the listed equities securities. The Company manages the equity market price risk through diversification and by placing limits on individual and total equity instruments. A 5% change in the fair value of these investments, with all other variables held constant, would impact the statement of income by increase/decrease of ⃁ 4.74 million (2023: 6.63 million).

A 5% change in the fair value of FVOCI investments, with all other variables held constant, would impact the statement of comprehensive income by increase/decrease of ⃁ 14.09 million (2023: 7.08 million).

31.8 Capital management risk

Capital requirements are set and regulated by the Saudi Arabian Monetary Agency. These requirements are put in place to ensure sufficient solvency margins. Further 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. The table below summarizes the minimum regulatory capital of the Company and the total capital held:

	31 December 2024 ⃁	31 December 2023 ⃁
Total capital held	**1,611,915,326**	1,146,822,039
Minimum regulatory capital	**200,000,000**	200,000,000

In the opinion of the Management, the Company has fully complied with the externally imposed capital requirements as at 31 December 2024 and 31 December 2023.

32 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 advantageous accessible market for the asset or liability

32.1. Determination of fair value and fair value hierarchy

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

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

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

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

32.2. Carrying amounts and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Fair value (⃁)				
31 December 2024	Level 1	Level 2	Level 3	Total	Carrying value
Financial investments at FVIS					
Money market funds	–	86,193,233	–	86,193,233	86,193,233
Investment funds	7,607,587	–	–	7,607,587	7,607,587
Equity securities	1,023,846	–	–	1,023,846	1,023,846
Financial investments at FVOCI					
Tier 1 Sukuk	–	285,914,854	–	285,914,854	285,914,854
Financial investments at amortized cost					
Time deposits	–	–	997,282,720	997,282,720	984,910,828
Debt securities	–	919,340,018	–	919,340,018	931,297,289
Total	8,631,433	1,291,448,105	997,282,720	2,297,362,258	2,296,947,637

31 December 2023	Fair value (⃁)				Carrying value
	Level 1	Level 2	Level 3	Total	
Financial investments at FVIS					
Money market funds	–	146,156,801	–	146,156,801	146,156,801
Investment funds	8,299,185	–	–	8,299,185	8,299,185
Equity securities	–	–	–	–	–
Financial investments at FVOCI					
Tier 1 Sukuk	–	141,632,674	–	141,632,674	141,632,674
Financial investments at amortized cost					
Time deposits	–	–	876,272,635	876,272,635	887,797,603
Debt securities	–	243,077,849	–	243,077,849	239,532,413
Total	8,299,185	530,867,324	876,272,635	1,415,439,144	1,423,418,676

The fair value used for valuation of level 2 Sukuk and debt securities is based on prices quoted on reliable and third-party sources including Reuters, Bloomberg, etc. The discounted cash flow ("DCF") method has been used to value the level 3 time deposits. This method considers the present value of net cash flows to be generated from the time deposits, discounted at the market rate of similar quoted instruments. Significant unobservable inputs used for the purpose of valuation of term deposits are the coupons expected to be received in future (i.e. floating index, cap and floor) and discount rate.

33 CONTINGENCIES AND COMMITMENTS

The Company operates in the reinsurance industry and is subject to legal proceedings in the normal course of business. 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.

34 RECLASSIFICATION

During the year, the Company has made following reclassifications.

- **Premium & claim deposits and value added tax:** Previously reported under prepaid expenses, deposits and other assets, these amounts have been reclassified to reinsurance contract liabilities.
- **Input VAT:** Input VAT, which was previously included in prepaid expenses, deposits, and other assets, has been offset against VAT liabilities reported under accrued expenses and other liabilities, and is now presented as a net VAT payable.
- **Accumulated surplus:** Previously reported under accrued expenses and other liabilities, accumulated surplus has been reclassified to reinsurance contract liabilities.

These reclassifications were made to conform to the current period presentation and the impact to the overall financial statement's presentation is not material. These reclassifications do not have an impact on the opening and closing retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

The following table shows the impact on each Financial Statement caption affected by the reclassification:

Financial statement caption	31 December 2023 (before reclassification)	Premium & claim deposits and VAT	Input VAT	Accumulated surplus	31 December 2023 (after reclassification)
Prepaid expenses, deposits and other assets	**303,917,481**	**(101,940,779)**	**(6,375,063)**	**–**	**195,601,639**
Reinsurance contract liabilities	**1,287,902,032**	**(101,940,779)**	**–**	**28,833,321**	**1,214,794,574**
Accrued expenses and other liabilities	**112,072,472**	**–**	**(6,375,063)**	**(28,833,321)**	**76,864,088**

Financial statement caption	31 December 2022 (before reclassification)	Premium & claim deposits and VAT	Input VAT	Accumulated surplus	31 December 2022 (after reclassification)
Prepaid expenses, deposits and other assets	199,271,601	(92,730,773)	(2,890,214)	–	103,650,614
Reinsurance contract liabilities	919,991,787	(92,730,773)	–	18,908,904	846,169,918
Accrued expenses and other liabilities	195,321,888	–	(2,890,214)	(18,908,904)	173,522,770

35 SUBSEQUENT EVENT

On 16 March 2025 (corresponding to 16/09/1446H), the Board of Directors recommended an increase in the Company’s capital by 46.6%. The capital increase will be executed as follows:

- Issuance of 51,480,000 bonus shares to existing shareholders, granting 4 additional shares for every 9 shares held, representing a 44.44% increase in capital.
- Allocation of 2,500,000 shares for the establishment of the Company's long-term incentive share plan for employees, representing an additional 2.16% of the Company’s capital.

The capital increase is subject to approval from the competent regulatory authorities and the Extraordinary General Assembly.

36 APPROVAL OF THE FINANCIAL STATEMENTS

These Financial Statements have been approved by the Board of Directors on 13 Ramadan 1446H corresponding to 13 March 2025.

SUPPLEMENTARY INFORMATION

STATEMENT OF FINANCIAL POSITION

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	Reinsurance operations	Shareholders' operations	Total	Reinsurance operations	Shareholders' operations	Total
ASSETS						
Cash and bank balances	53,102,318	20,362,602	73,464,920	83,675,930	4,229,072	87,905,002
Financial investments at fair value through income statement	76,779,114	18,045,552	94,824,666	132,698,094	21,757,892	154,455,986
Financial investments at fair value through other comprehensive income	21,353,929	264,560,925	285,914,854	21,000,000	120,632,674	141,632,674
Financial investments at amortized cost	753,179,492	1,163,028,625	1,916,208,117	529,836,263	597,493,753	1,127,330,016
Reinsurance contract assets	92,128,480	–	92,128,480	77,827,287	–	77,827,287
Retrocession contract assets	627,927,506	–	627,927,506	439,593,167	–	439,593,167
Prepaid expenses, deposits and other assets	7,729,283	173,091,663	180,820,946	88,906,933	106,694,706	195,601,639
Property and equipment, net	2,960,826	26,592,399	29,553,225	3,398,513	27,126,001	30,524,514
Intangibles	6,162,531	–	6,162,531	6,614,676	–	6,614,676
Investment in an equity accounted investee	–	–	–	–	208,989,740	208,989,740
Statutory deposit	–	89,100,000	89,100,000	–	89,100,000	89,100,000
Accrued income on statutory deposit	–	22,314,278	22,314,278	–	22,056,608	22,056,608
Due from shareholders'/ reinsurance operations*	2,720,836	–	2,720,836	–	91,293,200	91,293,200
TOTAL ASSETS	1,644,044,315	1,777,096,044	3,421,140,359	1,383,550,863	1,289,373,646	2,672,924,509
LIABILITIES						
Margin loan payable	–	56,797,019	56,797,019	–	56,797,019	56,797,019
Reinsurance contract liabilities	1,585,141,809	–	1,585,141,809	1,214,794,574	–	1,214,794,574
Retrocession contract liabilities	16,932,020	–	16,932,020	189,653	–	189,653
Accrued expenses and other liabilities	33,358,667	13,205,568	46,564,235	66,325,129	10,538,959	76,864,088
Provision for employees' end of service benefits	30,351,542	–	30,351,542	18,633,092	–	18,633,092
Provision for zakat and tax	–	41,671,425	41,671,425	–	41,548,376	41,548,376
Accrued commission income payable to Insurance Authority	–	29,046,147	29,046,147	–	25,982,468	25,982,468
Due to reinsurance/ shareholders' operations*	–	2,720,836	2,720,836	91,293,200	–	91,293,200
TOTAL LIABILITIES	1,665,784,038	143,440,995	1,809,225,033	1,391,235,648	134,866,822	1,526,102,470

SUPPLEMENTARY INFORMATION

	31 December 2024 (⃁)			31 December 2023 (⃁)		
	Reinsurance operations	Shareholders' operations	Total	Reinsurance operations	Shareholders' operations	Total
EQUITY						
Share capital	–	891,000,000	891,000,000	–	891,000,000	891,000,000
Statutory reserve	–	162,893,535	162,893,535	–	67,931,207	67,931,207
Retained earnings	–	585,294,283	585,294,283	–	194,358,333	194,358,333
Other reserves	(21,739,723)	(5,532,769)	(27,272,492)	(7,684,785)	1,217,284	(6,467,501)
TOTAL EQUITY	(21,739,723)	1,633,655,049	1,611,915,326	(7,684,785)	1,154,506,824	1,146,822,039
TOTAL LIABILITIES AND EQUITY	1,644,044,315	1,777,096,044	3,421,140,359	1,383,550,863	1,289,373,646	2,672,924,509

* These items are not included in the statement of financial position.

STATEMENT OF INCOME

	For the year ended 31 December 2024 (⃁)			For the year ended 31 December 2023 (⃁)		
	Reinsurance operations	Shareholders' operations	Total	Reinsurance operations	Shareholders' operations	Total
ASSETS						
Reinsurance revenue	1,129,966,260	–	1,129,966,260	627,187,025	–	627,187,025
Reinsurance service expenses	(987,822,423)	–	(987,822,423)	(509,774,279)	–	(509,774,279)
Net expenses from retrocession contracts	388,563	–	388,563	2,349,500	–	2,349,500
Reinsurance service result	142,532,400	–	142,532,400	119,762,246	–	119,762,246
Investment income calculated using effective profit rate	32,807,097	35,433,092	68,240,189	22,034,166	31,244,317	53,278,483
Net income from financial investments measured at fair value	9,444,526	4,970,026	14,414,552	3,567,137	7,857,865	11,425,002
Gain on sale of investment in an equity accounted investee	–	365,949,388	365,949,388	–	–	–
Investment management expenses	(2,225,872)	(7,393,419)	(9,619,291)	(2,411,763)	(1,795,984)	(4,207,747)
Reversal/(charge) for expected credit losses	–	1,196,586	1,196,586	(102,776)	(5,315)	(108,091)
Net investment income	40,025,751	400,155,673	440,181,424	23,086,764	37,300,883	60,387,647
Finance income from reinsurance contracts issued	(49,526,270)	–	(49,526,270)	(54,850,549)	–	(54,850,549)
Finance expenses from retrocession contracts held	12,097,373	–	12,097,373	20,224,903	–	20,224,903
Net financial result	2,596,854	400,155,673	402,752,527	(11,538,882)	37,300,883	25,762,001
Net reinsurance and investment result	145,129,254	400,155,673	545,284,927	108,223,364	37,300,883	145,524,247

	For the year ended 31 December 2024 (⃁)			For the year ended 31 December 2023 (⃁)		
	Reinsurance operations	Shareholders' operations	Total	Reinsurance operations	Shareholders' operations	Total
Other income	3,956,486	4,821,170	8,777,656	3,630,945	2,705,030	6,335,975
Other finance costs	–	(1,802,326)	(1,802,326)	–	(1,677,423)	(1,677,423)
Other operating expenses	(25,773,502)	(10,950,249)	(36,723,751)	(12,610,144)	(9,156,752)	(21,766,896)
Share of profit of equity accounted investee	–	2,510,590	2,510,590	–	40,070,637	40,070,637
Total profit for the year before zakat and tax	123,312,238	394,734,858	518,047,096	99,244,165	69,242,375	168,486,540
Transfer of surplus to shareholders' operations	(110,981,015)	110,981,015	–	(89,319,748)	89,319,748	-
Net profit for the year before zakat and tax	12,331,223	505,715,873	518,047,096	9,924,417	158,562,123	168,486,540
Zakat for the year	–	(29,668,654)	(29,668,654)	–	(33,870,444)	(33,870,444)
Tax charge for the year	–	(1,235,577)	(1,235,577)	–	(262,185)	(262,185)
Net profit for the year after zakat and tax	12,331,223	474,811,642	487,142,865	9,924,417	124,429,494	134,353,911
Net income for the year after zakat and tax						
Other comprehensive income	12,331,223	474,811,642	487,142,865	9,924,417	124,429,494	134,353,911
Items that will not be reclassified to income statements subsequently						
Financial investments at FVOCI – net change in fair value	(768,581)	2,328,307	1,559,726	–	711,479	711,479
Re-measurement loss on employees' end of service benefit obligations	(12,889,711)	–	(12,889,711)	(3,734,110)	–	(3,734,110)
Items that may be classified to income statement subsequently						
Share of foreign currency translation reserve an equity accounted investee	–	1,611,630	1,611,630	–	5,038,135	5,038,135
Total comprehensive income for the year	(1,327,069)	478,751,579	477,424,510	6,190,307	130,179,108	136,369,415
Reconciliation:						
Less: Net income attributable to reinsurance operations transferred to accumulated surplus			(12,331,223)			(9,924,417)
Total comprehensive income for the year			465,093,287			126,444,998

GRI INDEX

Statement of use: Saudi Reinsurance Company has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.

GRI 1 used: GRI 1: Foundation 2021

Gri Standard	Disclosure		Location/Explanation	Page number
GRI 2: General Disclosures 2021	2-1	Organizational details	About Saudi Re	
	2-2	Entities included in the organization's sustainability reporting	About this Report	
	2-3	Reporting period, frequency and contact point	About this Report	
	2-4	Restatements of information	About this Report	
	2-6	Activities, value chain and other business relationships	About Saudi Re	
	2-7	Employees	Sustainability Performance – Prioritising our People	
	2-9	Governance structure and composition	Corporate Governance	
	2-10	Nomination and selection of the highest governance body	Corporate Governance	
	2-11	Chair of the highest governance body	Corporate Governance	
	2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance; Sustainability Strategy	
	2-13	Delegation of responsibility for managing impacts	Corporate Governance; Sustainability Strategy	
	2-14	Role of the highest governance body in sustainability reporting	Corporate Governance; Sustainability Strategy	
	2-15	Conflicts of interest	Sustainability Performance – Corporate Governance; Sustainability Performance – Business Ethics and Compliance	
	2-16	Communication of critical concerns	Corporate Governance	
	2-17	Collective knowledge of the highest governance body	Corporate Governance	
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance	
	2-19	Remuneration policies	Corporate Governance	
	2-20	Process to determine remuneration	Corporate Governance	
	2-22	Statement on sustainable development strategy	Chairman's Statement	
	2-23	Policy commitments	Sustainability Strategy	
	2-24	Embedding policy commitments	Sustainability Strategy	

Gri Standard	Disclosure	Location/Explanation	Page number
	2-25 Processes to remediate negative impacts	Sustainability Strategy	
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability Performance – Prioritising our People; Sustainability Performance – Business Ethics and Compliance	
	2-27 Compliance with laws and regulations	Sustainability Performance – Business Ethics and Compliance	
	2-28 Membership associations	Sustainability Performance – Sustainable Supply Chain	
	2-29 Approach to stakeholder engagement	Sustainability Strategy – Stakeholder Engagement	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Strategy – Material Matters	
	3-2 List of material topics	Sustainability Strategy – Material Matters	
	3-3 Management of material topics	Sustainability Strategy; Sustainability Performance	
1 – Corporate Governance/6 – Ethics and Compliance			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Sustainability Performance – Business Ethics and Compliance	
	205-2 Communication and training about anti-corruption policies and procedures	Sustainability Performance – Business Ethics and Compliance	
	205-3 Confirmed incidents of corruption and actions taken	Sustainability Performance – Business Ethics and Compliance	
SASB FN-IN-270: Transparent Information and Fair Advice for Customers	Value of any monetary losses as a result of legal proceedings	Sustainability Performance – Business Ethics and Compliance	
SASB FN-IN-550: Systemic Risk Management	FN-IN-550a.3 Description of approach to managing capital and liquidity-related risks associated with systemic non-insurance activities.	Sustainability Performance – Business Ethics and Compliance	
2 – Data Protection and Cybersecurity			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Performance – Our Clients in Focus	

GRI INDEX

Gri Standard	Disclosure	Location/Explanation	Page number
3 – Talent Development			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Performance – Prioritising our People	
	401-3 Parental leave	Sustainability Performance – Prioritising our People	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Performance – Prioritising our People	
	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability Performance – Prioritising our People	
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Performance – Prioritising our People	
4 – Serving the National Strategy / 11 - Innovation and Digitalisation			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Sustainability Performance – Our National Contribution	
	203-2 Significant indirect economic impacts	Sustainability Performance – Our National Contribution	
5 – Climate Change and Energy Transition			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Performance – Protecting our Planet	
	305-4 GHG emissions intensity	Sustainability Performance – Protecting our Planet	
7 – Financial Performance			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Financial Statements	
	201-2 Financial implications and other risks and opportunities due to climate change	Risk Management	
8 – Customer Satisfaction			
	3-3 Management of material topics	Sustainability Performance – Our Clients in Focus	
9 – Diversity and Inclusion			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability Performance – Prioritising our People	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Sustainability Performance – Prioritising our People	

Gri Standard	Disclosure	Location/Explanation	Page number
10 – Integrating ESG in Insurance / 13 – Access to Insurance / 14 – Sustainable Products and Services			
SASB FN-IN-450: Environmental Risk Exposure	FN-IN-450a.1 Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	Sustainability Performance – Sustainable Insurance	
	FN-IN-450a.2 Total amount of monetary losses attributable to insurance payouts from modeled natural catastrophes	Sustainability Performance – Sustainable Insurance	
SASB FN-IN-410: Policies Designed to Incentivize Responsible Behavior	FN-IN-410 b.1 Net premiums written related to renewable energy, energy efficiency, cleaner production, low-carbon technology	Sustainability Performance – Sustainable Insurance	
12 – Investing Responsibly			
	3-3 Management of material topics	Sustainability Performance – Sustainable Insurance	
15 – Community Investment			
	3-3 Management of material topics	Sustainability Performance – Supporting our Communities	
16 – Health and Wellbeing			
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	Sustainability Performance – Prioritising our People	
	403-6 Promotion of worker health	Sustainability Performance – Prioritising our People	
17 – Environmental Management			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Sustainability Performance – Protecting our Planet	
GRI 303: Water and Effluents 2018	303-5 Water consumption	Sustainability Performance – Protecting our Planet	
GRI 306: Waste 2020	306-3 Waste generated	Sustainability Performance – Protecting our Planet	
	306-4 Waste diverted from disposal	Sustainability Performance – Protecting our Planet	
18 – Sustainable Procurement			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainability Performance - Sustainable Supply Chain	

CORPORATE INFORMATION

Saudi Reinsurance Company (Saudi Re) was established as a Saudi public shareholding company pursuant to Royal Decree No. 83 dated 25/10/1428 H corresponding to 6/11/2007 and obtained Commercial Registration No. 1010250125 dated 12/5/1429 H.

It is a company licensed under the number TMN/17/20087 and under the control and supervision of the Insurance Authority, and thus it has been established and publicized, as it is the first Saudi Reinsurance Company, with a capital of eight hundred and ninety-one million Saudi riyals (891,000,000) divided into 89.1 million shares.

TASI 8200

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