

ANNUAL REPORT
2025

إعادة
Saudi Re 



Anchored for Ambition

Building on our foundation as the Kingdom's National Champion, Saudi Re has evolved into the largest and one of the fastest-growing reinsurers in the region. Our growth trajectory, defined by "Strategy Towards 2028," is a commitment to the ambitions of Saudi Vision 2030. Driven by a strengthened capital base and enhanced credit ratings, this transformative roadmap will elevate Saudi Re into the ranks of the top 50 global reinsurers.

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

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01. ABOUT THIS REPORT



Saudi Re's Annual Report for 2025 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 2025 to 31 December 2025, and is consistent with Saudi Re's established practices for Financial, Sustainability, and Directors' reporting. There have been no restatements of previously disclosed information, nor are there any 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 2025. Saudi Re's Annual Report for 2025 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 2025 have been prepared in full accordance with the International Financial Reporting Standards (IFRS) as endorsed within the Kingdom of Saudi Arabia, collectively referred to as IFRS endorsed in KSA. 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

Investor Relations Department

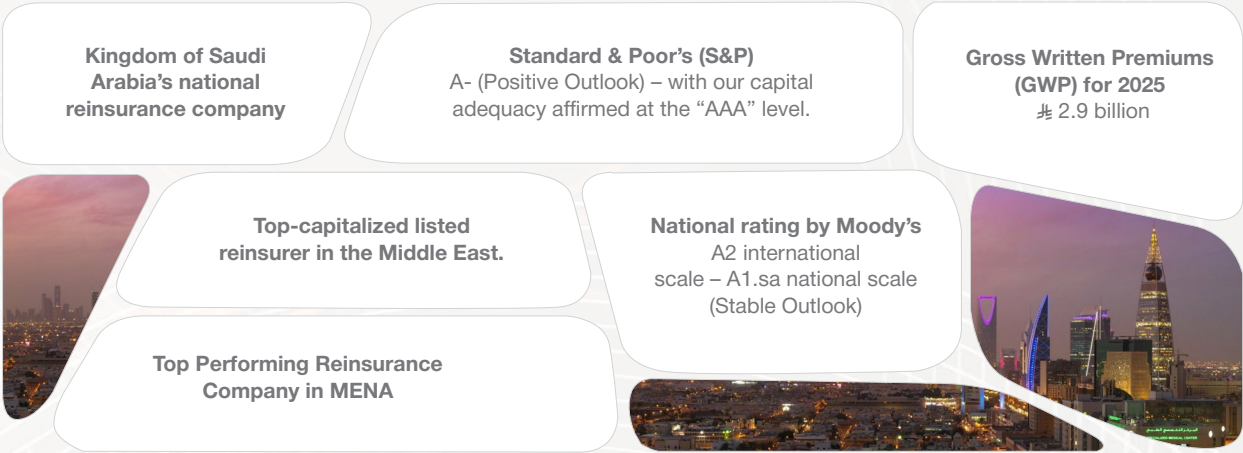
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2.1 HIGHLIGHTS



Established in 2008 as the first specialized reinsurer in the Kingdom of Saudi Arabia, Saudi Re has transformed into a leading provider of comprehensive reinsurance solutions within the MENA region. Regulated by the Insurance Authority (IA), our operations are anchored in a G20 economy, which offers one of the world's fastest-growing insurance markets—providing us with a fertile environment for expansion and value creation.

As a Related Entity with the Public Investment Fund (PIF) as a strategic investor, Saudi Re possesses a robust institutional foundation. This ownership structure, combined with our listing on the Saudi Exchange (Tadawul), provides the financial resilience and credibility necessary to pursue a sustainable growth trajectory and maintain a competitive edge in the evolving global landscape.

Saudi Re's financial strength and creditworthiness received further validation in 2025. Standard & Poor's Global Ratings (S&P) reaffirmed our “A-” long-term issuer credit and insurer financial strength rating, while maintaining our “gcAAA” regional scale rating with a positive outlook. Crucially, our capital adequacy levels remain positioned above the “AAA” threshold according to S&P's assessment model. Moody's Investors Service upgraded Saudi Re's Insurance Financial Strength Rating (IFSR) to A2 on the international scale and A1.sa on the national scale, both with a stable outlook.

Saudi Re's credit profile is reflected through a strong brand presence and a dominant position in the Saudi market, complemented by a growing footprint in Asia, Africa, and

Lloyd's. Our financial stability is characterized by a robust asset base and high capital adequacy levels, providing the financial flexibility required to navigate complex market environments.

We maintain a disciplined and conservative investment strategy, intentionally limiting exposure to natural catastrophe risks and operating with zero financial leverage. Our resilience is further bolstered by favorable access to Saudi capital markets and a unique competitive advantage: the right of first refusal on a portion of premiums ceded by domestic primary insurers.

As a Sharia-compliant company publicly listed on the Saudi Stock Exchange, our strategy is grounded in a comprehensive sustainability model aligned with global standards, embedding Environmental, Social, and Governance (ESG) principles across our operations as we build a diversified, world-class portfolio and deliver long-term value to our stakeholders.

2.2 WHAT WE DO

Saudi Re translates concentrated local strength into expansive, global scale by providing specialized facultative and treaty solutions across all major classes – including property, engineering, liability, marine, motor, life, and health. While deepening our commitment to advancing the non-oil sector and enhancing the localization of reinsurance activities to ensure premiums remain within the Kingdom, we are actively expanding our global footprint, serving clients and partners in over 40 markets across Asia, Africa, and at Lloyd's.

Our client-centric approach, delivered through both direct and broker channels, is guided by market-based underwriting teams and a sound technological and analytical infrastructure. This combination of underwriting proficiency and formidable actuarial capabilities ensures prudent risk assessments and pricing strategies, complemented by valuable partnerships with retrocession reinsurers that are pivotal in mitigating catastrophic risk.

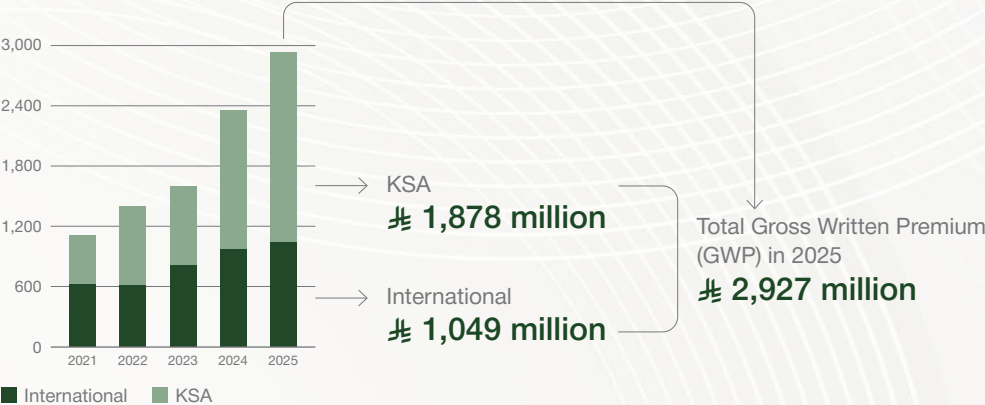
Our growing global presence

40+ Markets

Serving clients in 40+ countries in MENA, Asia and Africa



Gross Written Premium (GWP)
(ﷲ million)



3.1 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 eighteenth-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.

3.2 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.

3.3 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.

3.4 INSURANCE EXPORT, A STRATEGIC LEVER FOR SECTOR GROWTH

Over nearly two decades, 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.

3.5 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.

Honoured 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.

3.6 THE NATIONAL INSURANCE SECTOR STRATEGY
Key Features of the National Insurance Sector Strategy

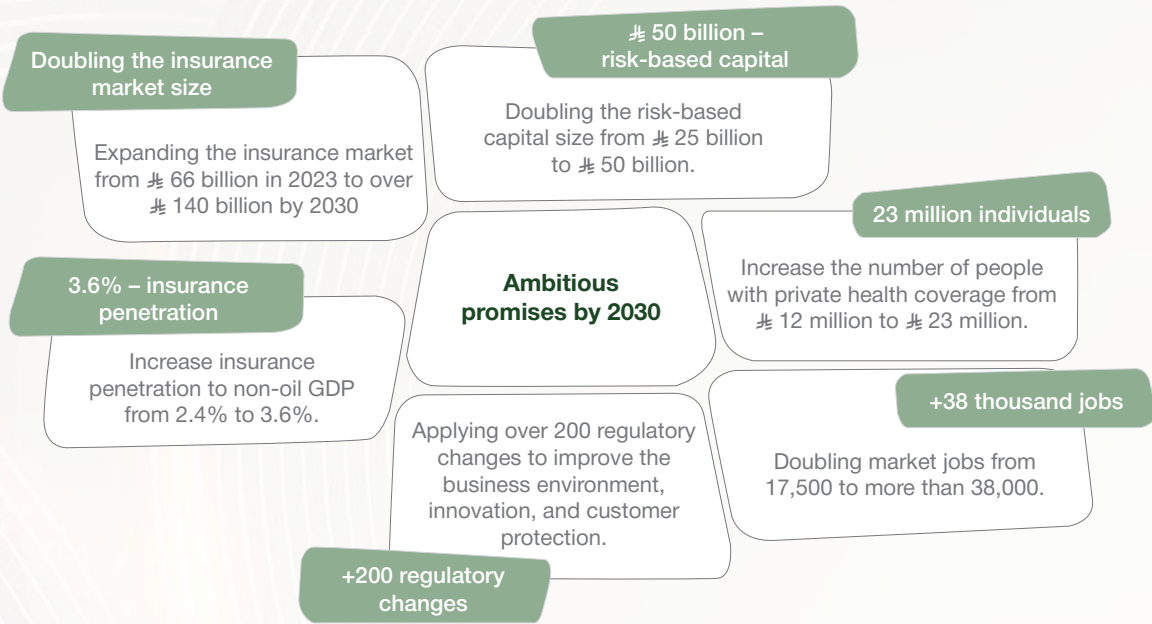
Strategic Vision

By 2030, we will build a robust insurance market that supports the Kingdom’s growth through economic diversification, providing protection for people and businesses.

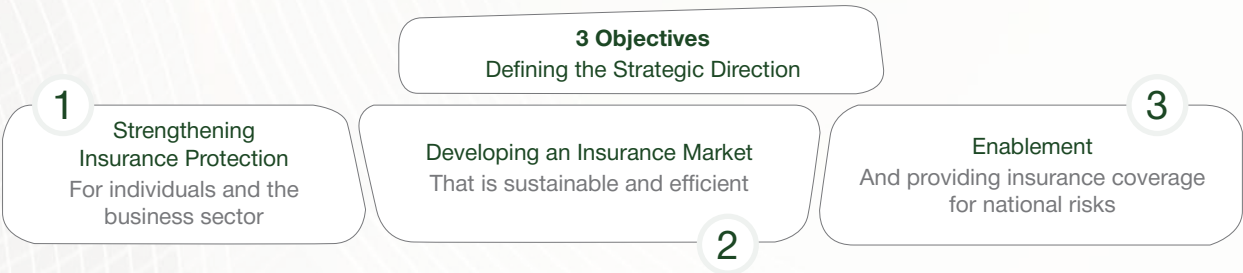
11 Insurance Priorities Addressed by the Strategy	4 Stakeholder Groups Targeted by the National Insurance Sector Strategy	11 Strategic and Enabling Programs Defined by Diversity and Comprehensiveness	
3 Balanced Mandates Defining the Operating Model of the Insurance Authority	3 Ambitious Objectives Pursued by the Strategy	9 Strategic Promises Shaping the Future of Insurance	72 Initiatives Enabling the Strategic Promises and Objectives

The approval of the National Insurance Sector Strategy (NIS) in January 2025 marks a historic turning point for the Kingdom’s financial landscape. Designed to unleash the latent strengths of the Saudi insurance market, the strategy aligns the sector’s evolution with the broader ambitions of Saudi Vision 2030 and aims to transform it into one of the most sophisticated, developed, and rapidly growing insurance hubs on the global stage.

National Insurance Sector Strategy



National Insurance Sector Strategy



3.7 PROGRAMS AND INITIATIVES

The Insurance Authority, in collaboration with strategic partners and stakeholders, will spearhead the strategy through a robust framework consisting of 11 strategic and enabling programs and 72 targeted initiatives.

Strategic Program	Core Objective and Key Initiatives
1. Health Insurance	11 initiatives to increase mandatory compliance and remove regulatory barriers, aiming to expand coverage to 23 million beneficiaries.
2. Vehicle Insurance	9 initiatives to build a pricing database and adopt telematics, with a target of increasing insured coverage to 16 million vehicles.
3. P&C (Individuals)	Establishing a centralized system for policyholder data and enhancing distribution channels to increase accessibility to protection products.
4. Protection and Savings	12 initiatives to raise financial literacy and encourage SMEs to offer corporate savings programs to promote financial inclusion.
5. P&C (Companies)	Enhancing regulatory frameworks to attract restricted-activity insurers and supporting the doubling of risk-based capital across the sector.
6. Reinsurance	10 initiatives dedicated to enabling local reinsurers to expand into global markets and increasing the volume of local reinsurance.
7. Retention and Capacity	Focused on increasing domestic risk retention, particularly within the property and casualty segments, to keep premiums within the national economy.
8. Uninsured Risks	Creating the first National Insurance Pool to cover national risks.

Strategic Program	Core Objective and Key Initiatives
9. Regulations and Legislation	Reviewing and updating relevant laws to increase market attractiveness, maturity, and transparency for all stakeholders.
10. Technology, Data and AI	Modernizing digital infrastructure and establishing a secure, unified database to enable advanced analytics and modernize digital standards.
11. Human Capital	Developing national talent through specialized professional training to fill 38,500 specialized jobs within the insurance field.

STRENGTHENING THE NATIONAL REINSURANCE MARKET

A critical component of the NIS is the focus on Reinsurance and Retention. Through 10 specialized initiatives the NIS seeks to empower local reinsurers to expand into global markets, increase the volume of domestic risk retention, and establish the Kingdom's first insurance pool to cover previously uninsured national risks. This approach not only enhances private sector participation in risk management but also ensures that Technology, AI, and Human Capital remain at the heart of the sector's evolution. By unifying digital infrastructure through advanced analytics and integrating insurance concepts into school curricula, the NIS is building a specialized, technologically advanced workforce equipped to lead the Kingdom toward a secure and innovative future.

4.1 FINANCIAL SUMMARY

⌘ million	2025	2024
Reinsurance revenue	1,672.50	1,129.97
Reinsurance service expenses	(1,468.14)	(987.82)
Net expenses from retrocession contracts	(33.63)	0.39
Reinsurance service result	170.73	142.53
Finance expenses from reinsurance contracts issued	(112.73)	(49.53)
Finance income from retrocession contracts	49.97	12.10
Net finance expense	(62.76)	(37.43)
Net investment income	127.74	442.69
Other finance costs	(1.92)	(1.80)
Other Income	8.72	8.78
Other operating expenses	(39.57)	(36.72)
Net profit before surplus, zakat and tax	202.93	518.05
Surplus	(12.29)	(12.33)
Zakat and tax	(50.59)	(30.90)
Net profit after surplus, Zakat and tax	140.04	474.81
EPS	0.84	3.69

4.2 KEY RATIOS

Net underwriting ratio

89.8%	87.4%
2025	2024

Net combined ratio

92.2%	90.6%
2025	2024

Total combined ratio

96.0%	93.9%
2025	2024

Non-attributable G&A ratio

2.4%	3.2%
2025	2024

Finance expense ratio

3.8%	3.3%
2025	2024



Gross Written Premium (2025)

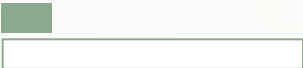
ﷲ 2.93 billion



2024 – ﷲ 2.36 billion

Return On Equity (2025)

6.9%



2024 – 41.4%

Combined Ratio (2025)

96.0%



2024 – 93.9%

Net Profit (2025)

ﷲ 140.04 million



2024 – ﷲ 474.81 million

RI Revenue (2025)

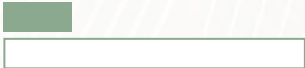
ﷲ 1,672.50 million



2024 – ﷲ 1,129.97 million

Earnings Per Share (2025)

ﷲ 0.84



2024 – ﷲ 3.69

Finance Ratio (2025)

3.8%



2024 – 3.3%

Net Combined Ratio (2025)

92.2%



2024 – 90.6%

RI Service Results (2025)

ﷲ 170.73 million



2024 – ﷲ 142.53 million

4.3 AWARDS AND RECOGNITION



General Reinsurance
Company of the year



Great Place To Work 2025

Net Underwriting Ratio (2025)

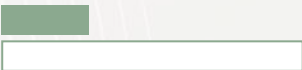
89.8%



2024 – 87.4%

Investment Income (2025)

﷼ 127.74 million



2024 – ﷼ 442.69 million

Total Assets (2025)

﷼ 4,636.7 million



2024 – ﷼ 3,418.4 million

Unattributable GA Ratio (2025)

2.4%



2024 – 3.2%

International Business (2025)

36%



2024 – 41%

Shareholder Equity (2025)

﷼ 2,191.6 million



2024 – ﷼ 1,611.9 million

05. CHAIRMAN'S STATEMENT

Since the current Board of Directors began its term in 2023, Saudi Re has prioritized developing a forward-looking strategy. We have worked diligently to solidify the company's leadership and drive sustainable improvements in technical, investment, and operational performance to meet the expectations of our shareholders and stakeholders.

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To Our Valued Shareholders and Stakeholders,

On behalf of the Board of Directors, it is my privilege to present the annual report for the fiscal year 2025 – a year that stands as a definitive milestone in the history of Saudi Re. This period has been characterized by transformational growth, strategic realignment, and a deepened commitment to our role as the Kingdom’s national reinsurer.

PRIORITIZING SHAREHOLDERS’ VALUE

Since the current Board of Directors began its term in 2023, Saudi Re has prioritized developing a forward-looking strategy. We have worked diligently to solidify the company’s leadership and drive sustainable improvements in technical, investment, and operational performance to meet the expectations of our shareholders and stakeholders. Through seamless synergy with the Executive Management, we have successfully maximized shareholders’ value by achieving exceptional milestones over the past three years. These include doubling the company’s written premiums, attracting the Public Investment Fund (PIF) as a strategic partner, and generating cumulative profits exceeding ﷲ 700 million. Furthermore, total equity witnessed a remarkable growth of 115%, and bonus shares equivalent to 46% of the capital were granted to shareholders, alongside an improved credit rating for the company. These achievements have established a robust foundation and a clear trajectory, steadily driving the company toward new horizons of success.

BUILDING STRATEGIC CAPABILITIES

Building upon the record-breaking Gross Written Premiums (GWP) over the past three years, 2025 was dedicated to capitalizing on the financial momentum to build long-term strategic capabilities. While our top-line results reflect our current market strength, the true measure of our success lies in the structural enhancements that ensure this progress is sustainable.

As a National Reinsurer, our 90% capital increase was a decisive move to support both national and corporate growth. We have contributed significantly to the retention of reinsurance premiums within the Kingdom, while exporting reinsurance services to more than forty markets. This demonstrates Saudi Re’s active role in creating local content and reinforcing the Saudi financial sector’s stability.

The partnership with the PIF further amplifies this role, granting Saudi Re a unique vantage point from which to support the Kingdom’s multi-trillion-dollar giga-projects. These newly built capabilities ensure a synergy of domestic focus and international expertise, setting a new benchmark for excellence in the regional reinsurance landscape. Simultaneously, we have converted our financial strength into concrete progress across all operational areas, particularly on the technological front. This investment bolsters our operational agility and provides the advanced data analytics necessary for sophisticated risk-pricing.

ADVANCING IN OUR STRATEGY

Saudi Re is moving with increased velocity toward our overarching ambition: evolving into a diversified, top 50 global reinsurer. Our performance this year confirms that we are moving in the right direction to strengthen our financial position and build specialized technical capabilities that enable us to expand our offering of advanced products, grow our client base, and enter new markets to further enhance profitability.

While our capital expansion has provided the necessary strategic latitude, our focus is now on the qualitative build-up of the institutional pillars required to ensure the sustainable growth of our business. We are making significant investments in cultivating world-class talent and integrating advanced technologies—most notably Artificial Intelligence—into our core operations. Beyond our corporate borders, Saudi Re serves as a vital enabler for the insurance sector, acting as a strategic contributor in initiatives designed to modernize the domestic market and realize the objectives of the National Insurance Strategy.

LEADERSHIP THROUGH ACCOUNTABILITY AND GOVERNANCE

Our strategic ambitions are built on an uncompromising foundation of integrity and transparency. In 2025, we further refined our governance framework to align with international best practices and the Kingdom’s evolving regulatory landscape. Our commitment to institutional excellence was validated this year when we received the prestigious Governance Award from Alfaisal University, recognizing our rigorous standards of corporate oversight.

We have updated key policies, including our Underwriting Risk Appetite, Compensation and Remuneration, and the Incentive Plan policies, alongside our corporate governance policy and underwriting authority matrix. These updates enhance decision-making efficiency and reinforce disciplined risk management. Furthermore, Environmental, Social, and Governance (ESG) principles are deeply integrated into our core business model. As a Sharia-compliant company, we are guided by a sustainability policy that bridges Islamic values with global standards.

NAVIGATING A COMPLEX GLOBAL LANDSCAPE

The global reinsurance market in 2025 has transitioned into a more complex landscape, moving toward a softening environment marked by significant uncertainty. While rapid price escalations have stabilized, the industry continues to navigate a challenging geopolitical backdrop, rising catastrophe retentions, and the persistent pressure of high-frequency losses.

Saudi Re has proactively navigated this transition by reinforcing risk controls and institutionalizing volatility management. In this climate, capital adequacy has transcended its role as a mere regulatory mandate to become a core competitive differentiator. Our fortified capital base empowers us to maintain a consistent market presence and provide unwavering support to our clients through volatile cycles—all while safeguarding our solvency and maintaining a robust risk appetite.

ACKNOWLEDGMENTS AND A FUTURE OF EXCELLENCE

The exceptional performance of Saudi Re in 2025 is the result of our Board’s vision and the expert leadership of our senior management. I extend my heartfelt gratitude to our workforce, whose dedication remains our most valuable asset. My thanks also go to our valued shareholders, clients and partners worldwide for their continued confidence in Saudi Re, and to the regulatory authorities for their unwavering support and partnership.

As we prepare for a new chapter, I am exceptionally confident in our strategic course. By aligning our corporate mission with Vision 2030, we continue to diversify the financial landscape, fortify national risk management, and safeguard the Kingdom’s enduring economic stability. Our journey ahead is defined by a commitment to a legacy of excellence – one that ensures Saudi Re remains a foundational pillar of the Kingdom’s prosperity for generations to come.

Abdullatif Al-Fozan
Chairman of the Board

The year 2025 marked a historic milestone for Saudi Re, as Gross Written Premiums surged by 24.1%, reaching an all-time high of **ﷲ** 2.9 billion. This exceptional performance is the result of a consistent upward trajectory, evidenced by a remarkable CAGR of 25.6% over the past five years. This momentum solidifies our position as the leading reinsurer in the Middle East and provides a powerful launchpad for our “Strategy Toward 2028”.

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A SOLID FOUNDATION AND UNPRECEDENTED GROWTH

Built upon a bedrock of stability and unwavering trust, Saudi Re has successfully transitioned into a phase of accelerated sustainable growth. The year 2025 marked a historic milestone for the company, as Gross Written Premiums (GWP) surged by 24.1%, reaching an all-time high of ﷲ 2.9 billion. This exceptional performance is not a fleeting success but the result of a consistent upward trajectory, evidenced by a remarkable Compound Annual Growth Rate (CAGR) of 25.6% over the past five years. This momentum solidifies our position as the leading reinsurer in the Middle East and provides a powerful launchpad for our “Strategy Toward 2028.”

The company achieved a net profit of ﷲ 140 million. Although there was a 71% decline compared to the previous year – due to the recording of a non-recurring exceptional capital gain of ﷲ 365.9 million at that time – the actual operational performance tells a different success story. By neutralizing these exceptional gains, we find that the company’s profits effectively grew by 28%, driven by balanced technical performance and investment returns.

A TRANSFORMATIONAL PARTNERSHIP AND FINANCIAL FORTITUDE

The year 2025 was a defining chapter in our corporate evolution, characterized by a landmark strategic partnership with the Public Investment Fund (PIF), which acquired a 23.08% stake in the company. This was further bolstered by a 46.6% capital hike, bringing our total paid-up capital to ﷲ 1.698 billion. Today, Saudi Re stands as the highest-capitalized reinsurer in the Saudi market and the broader region. This capital depth serves as a strategic moat, allowing us to absorb global market volatility and underwrite complex, large-scale risks with absolute confidence. Our financial resilience was further validated by global rating agencies, with Moody’s upgrading our Insurance Financial Strength Rating (IFSR) to A2 and S&P affirming our A- rating with a Positive Outlook.

THE NATIONAL INSURANCE TRANSFORMATION

The Saudi reinsurance sector underwent a pivotal transformation in 2025 with the activation of the local reinsurance premium retention mechanism, which bolstered the local reinsurance ecosystem and created a qualitative shift in the sector. The year was further characterized by the entry of new players into the insurance and reinsurance markets, the licensing of several insurance brokers, and the establishment of updated regulatory frameworks. This included licensing new activities such as captive insurance and underwriting activities, alongside the implementation of Risk-Based Capital (RBC) standards.

These strategic initiatives culminated in the announcement of the National Insurance Sector Strategy, which aims to enhance insurance protection for individuals and businesses while developing the market to provide coverage for national risks. At Saudi Re, we operate as a vital part of this ambitious national economic ecosystem led by the Insurance Authority (IA). We take pride in aligning our objectives with the National Insurance Strategy, which positions reinsurance as a fundamental pillar for ensuring sector sustainability and reducing reliance on international markets. As the national strategy targets increasing insurance penetration to 3.6% of non-oil GDP and expanding the market size to over ﷲ 140 billion by 2030, we are committed to contributing directly to these ambitious national goals by enhancing our capacity and developing our technical capabilities.

**A GLOBAL AMBITION:
THE JOURNEY TO THE TOP 50**

We are now at the midpoint of our 2028 strategic roadmap, moving with precision toward our goal of becoming one of the Top 50 global reinsurers. In this context, we have continued to execute our strategic initiatives with a sharp focus on expanding business scope and geographically diversifying our portfolio, while bolstering our technical and operational capabilities, strengthening long-term relationships, and building sustainable partnerships – all while maintaining the company’s financial integrity. Our growth is governed by a balanced approach that prioritizes pricing discipline and portfolio diversification. Our international footprint was significantly strengthened this year with the successful inauguration of our branch in Gujarat International Finance Tec-City (GIFT City), India. By establishing a presence in one of the world’s top ten emerging insurance hubs, we have secured a strategic gateway to the Asian market, which now accounts for More than 20% of our total business.

**AN INNOVATION POWERHOUSE
AND A SECTOR CATALYST**

Saudi Re is more than a risk carrier; we are an “Experience House” dedicated to solving market gaps through innovation. Our leadership in Surety Bond insurance has provided a vital alternative to bank guarantees, while our Inherent Defects Insurance (IDI) has become a benchmark for construction quality across the Kingdom. Furthermore, our Employer Default Insurance now protects the financial rights of over 7 million foreign workers, directly supporting labor market stability. Beyond products, we act as a catalyst for sector-wide excellence. Through the REAP (Reinsurance Advancement Program), launched in collaboration with the Financial Academy, we are actively upskilling the next generation of insurance professionals in underwriting, claims management, and product development.

**DIGITAL AND INSTITUTIONAL
TRANSFORMATION**

In line with our commitment to institutional excellence, Saudi Re achieved a significant digital milestone in 2025 by becoming a frontrunner among financial institutions in migrating to Cloud Computing. This transition has fundamentally enhanced our operational agility and enabled data-driven decision-making with unprecedented precision. By moving away from traditional infrastructure, we have optimized our cost efficiency and gained the ability to process vast amounts of data at high speed. This technological leap has directly improved our responsiveness to clients and partners, accelerating risk pricing and document issuance, thereby sharpening our competitive edge in the global reinsurance market. Furthermore, we conducted a comprehensive review of our Enterprise Risk Management (ERM) framework to ensure full alignment with new regulatory standards for Risk-Based Capital (RBC) models.

**EMPOWERING TALENT AND
SUSTAINING EXCELLENCE**

Our successes are driven by a high-performance culture that puts people first. In 2025, we achieved an 80% Saudization rate, maintaining our Platinum status in the “Nitaqat” program. Our focus on human capital was globally recognized with the Great Place to Work® certification, reflecting our commitment to a diverse and inclusive environment. This dedication to excellence was further echoed by prestigious accolades, including the “Reinsurer of the Year 2025” award and the Corporate Governance Award from Alfaisal University, underscoring our adherence to the highest standards of institutional oversight.

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LOOKING AHEAD: RESILIENCE IN A COMPLEX WORLD

As we look toward 2026 and beyond, we remain vigilant yet optimistic. The global reinsurance landscape faces complex challenges – from climate-related catastrophes to shifting geopolitical dynamics. However, our fortified capital base, technical expertise, and alignment with the National Strategy empower us to turn these challenges into opportunities. We are uniquely positioned to provide the risk management solutions necessary to fuel the Kingdom's economic expansion and the realization of Vision 2030, ensuring that we continue to deliver long-term value to our shareholders and stakeholders while always aiming for new horizons of excellence.

In conclusion, I would like to express my profound appreciation to our exceptional team, our loyal clients, our strategic partners, and our valued shareholders; your trust is our most valuable asset and the primary driver of our success. I also highly value the leading role of the Kingdom's regulatory authorities and industry leaders in establishing the foundations of a stable and growth-oriented environment. As we look forward to a new year, we move with steady confidence toward a promising future, reaffirming our commitment to sustainable growth, the deepening of our partnerships, and continuous investment in our capabilities – which represent the core of our strength.

Ahmed Al-Jabr

Chief Executive Officer

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07. MARKET REVIEW

7.1 2025: A YEAR OF RESILIENCE AND TRANSITION

Throughout 2025, the global economy demonstrated significant resilience, navigating a landscape reshaped by shifting trade policies, geopolitical tensions, and the rapid integration of artificial intelligence. While global growth remained steady at an estimated 3.3%, the year was marked by a successful, albeit gradual, stabilization of headline inflation, which declined to approximately 4.1%. This progress has fostered a more balanced economic environment, although risks related to trade fragmentation and fiscal vulnerabilities remain a focus for the year ahead. Global GDP growth is projected to remain steady at 3.3% in 2026 and 3.2% in 2027, with headline inflation expected to reach 3.6% in 2026.

The Gulf Cooperation Council (GCC) economies proved robust, reinforced by a strategic acceleration in non-oil diversification and rapid digital innovation. The region's transformation continues to drive significant demand for sophisticated risk and insurance solutions, particularly as Saudi Arabia and its neighbors solidify their positions as hubs for global trade and tourism.

Saudi Arabia's economic momentum during the year saw real GDP growth reaching 4.5%. This resurgence was primarily fueled by a 4.9% expansion in non-oil activities and a 5.6% increase in oil activities. Despite strategic adjustments in production, the Kingdom's economic landscape reflects the ongoing success of Saudi Vision 2030 in fostering a diversified, resilient, and sustainable economy. Standard & Poor's recently upgraded Saudi Arabia's credit rating to A+ with a stable outlook, reflecting confidence in its economic diversification efforts.

7.2 GLOBAL REINSURANCE: CAPITAL ABUNDANCE AND MARKET DYNAMICS

The global reinsurance sector reached a historic milestone in 2025, with total dedicated capital hitting a record high of approximately USD 805 billion by mid-year. This 4.8% increase – comprising USD 660 billion in traditional capital and record-breaking alternative capital performance – reflects increasing synergy in providing coverage for complex risks. Catastrophe bond issuances exceeded USD 25 billion, marking the first time this market has surpassed the USD 20 billion threshold in a single year.

The industry entered 2025 in a position of strength, with the market's return on equity (ROE) estimated between 17% and 18%. This sustained profitability is a result of disciplined underwriting and robust investment income bolstered by elevated interest rates. However, as the market enters 2026, premium rates are expected to moderate. This capital abundance and the transition from the "hard market" corrections of previous years move the industry toward a more balanced, yet highly disciplined, environment.

The Shifting Risk Profile

Global natural disasters in 2025 resulted in total economic losses of USD 260 billion. While this was the lowest since 2015, insured losses remained elevated at USD 127 billion, marking the sixth consecutive year insured losses exceeded the USD 100 billion threshold. Severe convective storms (SCS) alone accounted for nearly USD 61 billion in insured losses.

The MENA region continues to experience a shift in its risk profile. Following historic weather events in late 2024, there has been an increased focus on enhancing natural disaster coverage. This evolving exposure, alongside geopolitical tensions and shifting trade policies, underscores the necessity for advanced risk modeling and the integration of AI-driven forecasting and telematics to mitigate the financial impact of increasingly frequent climate-related and man-made events.

In light of these changes, the need to adapt to evolving market conditions has become increasingly evident, with greater emphasis on comprehensive underwriting and exposure management policies. At the same time, companies must seek opportunities to provide coverage and develop solutions that support economic growth while demonstrating their ability to facilitate and sustain commercial activity.

**The KSA Insurance Sector:
A Transformed Landscape**

The approval of the National Insurance Sector Strategy (NIS) in January 2026 marks a defining chapter in the Kingdom’s economic future. Spearheaded by the Insurance Authority (IA), this roadmap seeks to expand the insurance market from SAR 66 billion in 2023 to over SAR 140 billion by 2030, effectively elevating the sector’s contribution to non-oil GDP to 3.6%. The Kingdom is moving toward a more sophisticated, technology-enabled insurance ecosystem, supported by regulatory measures requiring insurers to retain 30% of reinsurance business with local reinsurers. Central to this transformation is the shift toward a Risk-Based Capital (RBC) framework and initiatives aimed at doubling the sector’s risk-based capital.

This new landscape is further defined by continued capital restructuring and a wave of mergers and acquisitions in 2025, resulting in larger, more resilient entities capable of supporting the Kingdom’s giga-projects. Investments from the Public Investment Fund (PIF) continue to amplify the sector’s economic impact, while innovation remains a priority through the introduction of new products such as employer’s default coverage and specialized surety bonds.

During the first nine months of 2025, the Saudi insurance sector witnessed a 12% increase in gross written premiums (GWP), indicating that while the market is expanding, it is not doing so profitably for all participants. The sector has seen a significant bifurcation in performance; the aggregate profit of the sector dropped 46% to SAR 1.86 billion for the first nine months of 2025, with profit after Zakat and tax falling 41% year-on-year to SAR 1.7 billion in Q3. While the “Top 5” companies maintained strength with a slight 1% growth to SAR 1.67 billion, insurers outside the top five saw a drastic 209% deterioration, swinging to a collective SAR 612 million loss. This downward pressure on profitability is primarily driven by intense price competition, especially within motor insurance, alongside rising underwriting costs that have left smaller players struggling to maintain necessary capital requirements.

Future Outlook

Looking forward, Saudi Arabia's Vision 2030 is fueling a USD 1.3 trillion investment pipeline across real estate, infrastructure, and tourism sectors. With a target of 150 million annual visitors and a home ownership goal of 70% by 2030, these mega-projects are reshaping the Kingdom's urban and commercial landscape.

The Saudi insurance market is poised for significant growth, with GWP projected to reach SAR 140 billion (USD 37 billion) by 2030, reflecting a CAGR of 11.34%. Growth in 2026 and 2027 will be primarily driven by Vision 2030 initiatives, including preparation for Expo 2030 and World Cup 2034. The market is expected to see continued consolidation, with smaller firms either merging or being acquired by larger, more stable entities as the Insurance Authority (IA) enforces stricter regulations to improve market stability.



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.

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 focus on building strong, solid, and sustainable relationships, particularly with clients and regulators.

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

8.1 OVERVIEW OF NEW DEVELOPMENTS IN 2025

The company has successfully completed two significant capital increases, reinforcing its capital base and positioning Saudi Re as the highest-capitalized insurance company in the region, further enhancing its ability to seize new opportunities in both local and international markets.

PIF Transaction

On 1 January 2025, the Public Investment Fund (PIF) became a strategic shareholder in Saudi Re, acquiring a 23.08% ownership stake through a direct offering and subscription to newly issued shares. PIF's entry as a strategic shareholder is closely aligned with Saudi Re's long-term strategy to strengthen its national role and act as a key enabler of the Kingdom's economic development. This alignment is reflected in Saudi Re's growing contribution to national priorities, particularly those linked to Vision 2030, where PIF plays a central role. Saudi Re is well positioned to support major national mandates and strategic initiatives by providing advanced reinsurance risk management solutions that enhance the capacity and resilience of the local market.

The investment also enhances Saudi Re's positioning both locally and internationally, supported by its recognition as a government-related entity in light of PIF's shareholding and the Company's national role in strengthening the insurance sector and supporting economic growth. This positioning, together with enhanced financial strength, improves Saudi Re's ability to participate in large-scale and complex risks, including giga projects and landmark initiatives such as major international events such as the Riyadh Expo and the FIFA World Cup 2034, thereby strengthening its competitiveness and market credibility.

Furthermore, the partnership with PIF creates meaningful synergies with PIF portfolio companies, enabling Saudi Re to develop tailored insurance and reinsurance solutions addressing both traditional and emerging risks. These synergies have been instrumental in supporting key sectors such as energy, real estate, housing, and financial services, while accelerating the expansion of specialized product offerings, including Directors and Officers insurance, surety and credit, cyber risks, political risk, warranties and indemnities, and significant risk transfer solutions.



A key outcome of this collaboration has been the successful introduction of surety solutions to the Saudi market in 2025, marking a significant milestone for the local insurance sector. Developed through close collaboration with PIF and its portfolio companies, these solutions were established in a pool structure that includes participation from the local insurance market. They enhance credit capacity within the contracting and infrastructure ecosystem and support the delivery of major development projects.

Capital increase

On 1 January 2025, Saudi Re and the Public Investment Fund (PIF) announced the successful completion of a capital increase through a direct offering. Under this transaction, PIF acquired a 23.08% ownership stake in Saudi Re by subscribing to newly issued shares.

This strategic investment strengthened the Company's capital base, enhanced its credit profile, and reinforced its role as the National Reinsurer of the Kingdom. By expanding domestic reinsurance capacity, the transaction supports the continued development of the Saudi insurance market, enables greater retention of insurance premiums within the local economy, and enhances risk management capabilities for domestic insurers. Collectively, these outcomes contribute to the resilience and sustainability of the Kingdom's financial system.

On 9 October 2025, Saudi Re executed a further capital increase during 2025, raising its capital by 46.6% to ₪ 1.698 billion, through the capitalization of ₪ 539.8 million from retained earnings. Upon completion, the Company's issued share capital increased from 115.83 million shares to 169.81 million shares.

This capital increase followed the earlier capital strengthening completed in January 2025, together reflecting a year marked by exceptional capital depth and balance sheet reinforcement. Following the completion of this transaction, Saudi Re became the highest-capitalized listed company in the Saudi insurance sector and the largest in the Middle East. The capital increase further strengthened the Company's financial position and credit standing, enhanced market and client confidence, and provided additional capacity to support sustainable growth, competitiveness, and long-term value creation for shareholders.

International Expansion

International expansion plays a central role in Saudi Re's long-term growth strategy, supporting the development of a diversified and resilient business portfolio while unlocking new revenue streams and access to broader customer segments. Expanding internationally also strengthens Saudi Re's competitive positioning and global brand recognition, while exposing the company to diverse market practices that foster innovation and the adoption of leading industry standards. This strategic direction aligns with national priorities, including the Saudi Export Program and the National Insurance Strategy, which promote the global reach of Saudi financial services. Reflecting this momentum, Saudi Re's international business exceeded ₪ 1.05 billion in 2025, representing 36% of the company's total premiums. The company services these markets from its Head Office in the KSA, leveraging international brokers and its branch in Malaysia.

In line with its long-term expansion strategy and commitment to disciplined geographic risk diversification, Saudi Re established a new branch in Gujarat International Finance Tec-City (GIFT City), in the Republic of India. This strategic milestone enhances portfolio balance, supports sustainable growth, and strengthens the resilience of the Company's technical performance.

The establishment of the branch is aligned with the evolving regulatory framework of the Indian insurance market, which provides increased access and priority to domestic insurers and internationally established reinsurance branches operating within the country. Operating through GIFT City enables Saudi Re to participate more effectively in this framework and to engage the market on a structurally competitive basis.

In parallel with the expansion of its international branch network, Saudi Re continues to access global reinsurance markets through its established participation in the Lloyd's of London via the existing Funds at Lloyd's (FAL) structure. This platform remains a key component of the Company's international diversification strategy, providing sustained exposure to a broad range of global risks and underwriting opportunities. In addition, Saudi Re is evaluating selective options to further strengthen its positioning within the Lloyd's ecosystem, with a focus on enhancing long-term access to global reinsurance capacity, deepening market relationships, and supporting sustainable growth aligned with the company's strategic objectives.

8.2 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 reached the 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 mechanism strengthened the domestic reinsurance ecosystem and enabled 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. Saudi Re is well-positioned to support the implementation the local cession and benefit from potential growth of its home market.

8.3 INHERENT DEFECTS
INSURANCE (IDI) PROGRAM

Since 2020, Saudi Re has acted as the exclusive reinsurer for the Inherent Defects Insurance (IDI) Coinsurance Program, administered by Malath Insurance Company on behalf of industry participants during the period from 2020 to 2025.

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 program witnessed an improved enforcement. Starting 24 June 2025, Tawuniya became the lead insurer for the IDI pool, and Saudi Re signed a three-year reinsurance contract with Tawuniya. This partnership is expected to contribute significantly to Saudi Re's revenue over the three-year period.

8.4 FINANCIAL STRENGTH RATING

A reinsurance company's credit rating represents a key measure of financial strength within the insurance sector. It reflects the Company's solvency position, credit quality, and capacity to meet its obligations to policyholders, counterparties, and creditors. In addition, credit ratings provide investors and other stakeholders with an independent assessment of the Company's financial performance, risk management practices, governance framework, and overall strategic discipline.

In 2025, Saudi Re's credit profile was further affirmed by leading rating agencies. Moody's upgraded the Company's insurance financial strength rating to A2 from A3, reflecting enhanced capital strength and improved financial fundamentals. S&P Global Ratings subsequently affirmed the Company's A- rating and revised the outlook to Positive from Stable, indicating expectations of sustained balance sheet strength and resilient operating performance.

According to S&P Global Ratings, the financial rating of Saudi Re reflects the Company's strong competitive position, supported by robust top-line growth achieved over the past two years. The assessment also highlights Saudi Re's superior underwriting performance, which compares favorably with that of regional and international peers, as well as the Company's ability to maintain capital adequacy buffers at a confidence level exceeding 99.99%. In addition, S&P considers Saudi Re a government-related entity, reflecting the Public Investment Fund's position as a significant minority shareholder and the company's role as the national reinsurer, contributing to the strengthening of the Saudi insurance sector, supporting economic growth, and extending PIF's presence within the financial services industry.

Moody's A2 Insurance Financial Strength Rating (IFSR) of Saudi Re reflects several key factors. These include strengthened business and financial profiles following the Public Investment Fund's acquisition of a minority stake in Saudi Re, as well as the implementation of enhanced domestic cession regulations, which position the company to support its market position and growth prospects in Saudi Arabia. Moody's also expects Saudi Re to continue benefiting from the ongoing growth and diversification of the Saudi economy, alongside government initiatives aimed at fostering development in the local insurance industry. Despite potential challenges from macroeconomic uncertainty and financial market volatility, the company's profitability is expected to remain robust, supported by both underwriting performance and investment returns. Additionally, its favorable geographical mix and development of new products are likely to contribute to continued diversification, helping mitigate potential risks.

The two A-level ratings, A- from S&P with positive outlook and A2 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.

8.5 STRATEGIC SUCCESS FACTORS

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 25.6% CAGR 2020-2025. • 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. • Enhanced proximity to key markets through the Company's branches
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 positive outlook. • Obtained "A2" Credit rating by Moody's, with a stable outlook.
Robust technical capabilities and operational effectiveness	• Disciplined 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.

09. FINANCIAL REVIEW

Performance highlights:

- Profit Before Tax (PBT) declined by 62% to ₪ 190.6 million. Excluding the one-off gain from the sale of Probitas recorded in the prior year, PBT increased by 36%, reflecting stronger underlying operational performance.
- Net Profit After Tax (NPAT) decreased by 71% to ₪ 140.0 million. Adjusted for the capital gain from the sale of Probitas in the previous year, NPAT increased by 28%.
- Earnings per Share (EPS) declined by 77% to ₪ 0.84. Excluding the capital gain from the Probitas divestiture, EPS decreased marginally by 1.2%.
- Gross Written Premium (GWP) grew by 24%, reaching ₪ 2.93 billion, with a compound annual growth rate (CAGR) of 27.3% over the period 2021–2025.
- Total Equity increased by 36%, reaching ₪ 2.19 billion by the end of 2025, reflecting the strengthening of the Company's capital base.

9.1 PERFORMANCE AND PROSPECTS

Saudi Re continued to deliver strong and stable performance during 2025, supported by the Company's long-term strategic direction and its focus on sustainable growth. Throughout the year, Saudi Re successfully advanced its diversification strategy, strengthened its presence in key markets, and enhanced its contribution to risk discipline, and sustainable business practices – continued to guide operational decisions and underpin positive business outcomes.

Saudi Re maintained its position as a leading contributor to the local reinsurance market by supporting the increasing local retention requirements introduced by the Insurance Authority. The mandatory cession share, which increased from 25% in 2024 to 30% in 2025, further reinforced the role of local reinsurers and aligned with the Company's strategic emphasis on supporting national market development. Saudi Re has continued to be a key partner to local insurers, offering capacity and expertise across a broad mix of reinsurance solutions.

Reflecting its international expansion ambitions, the Company achieved significant progress in strengthening its global footprint. A major milestone during the year was the launch of Saudi Re's second branch (first branch was in Malaysia) in India, a fast-growing reinsurance market with sizable, long-term potential. The Company obtained all required regulatory approvals to establish a branch in the GIFT City (Gujarat International Finance Tec-City), one of Asia's emerging financial hubs. These expansions are expected to diversify revenue sources, deepen international relationships, and enhance Saudi Re's access to new business opportunities across Asia.

Saudi Re's financial strength and prudent business model were reaffirmed by S&P Global Ratings, which affirmed the Company's "A-" rating and upgraded the outlook to Positive from Stable. This improvement reflects the Company's strengthened capital position, growing business profile, and resilient operating performance.

Capital Structure Enhancements

Saudi Re continued to strengthen its financial position in 2025, increasing its capital by 90% to reach ₪ 1.7 billion through two successive capital increases, as outlined below:

First: Capital Increase through the Entry of the Public Investment Fund (PIF) as a Strategic Partner

The company's capital was increased from ₪ 891 million to ₪ 1,158.3 million through the issuance of 26.73 million new ordinary shares. These shares carry a nominal value of ₪ 10 per share and were issued at an offering price of ₪ 16 per share, totaling an aggregate value of ₪ 427.68 million. This capital hike marks the entry of the Public Investment Fund (PIF) as a strategic partner in the company.

Second: Capital Increase through the Issuance of Bonus Shares

On 16 March 2025, the Board of Directors recommended a further 46.6% capital increase, implemented through:

- The issuance of 51.48 million bonus shares to existing shareholders (at a rate of 4 shares for every 9 shares held), representing a 44.44% increase in capital.
- The allocation of 2.5 million shares for the establishment of company's Long-Term Incentive Plan (LTIP) for employees, representing 2.16% of the company's capital.

These strategic initiatives reflect the Company's commitment to strengthening its capital base, supporting future expansion, and aligning employee incentives with long-term performance and shareholder value creation.

As a result, Saudi Re became the highest-capitalized company in the insurance sector listed on the Saudi Exchange and the largest by capital in the reinsurance sector across the Middle East.

Financial Performance

Revenue growth in 2025 remained strong across most business lines, consistent with the Company's diversification strategy. The Property and Casualty segment increased by 48% from ₪ 1,081.7 million to ₪ 1,601.7 million whereas the Life and Health segment increased by 47% from ₪ 48.2 million to ₪ 70.7 million.

Investment income also increased meaningfully. Excluding the impact of Probitas, higher investment income was driven by expanded investment volumes following the Probitas divestiture and the capital increase proceeds. These funds were largely deployed into sukuk and money market instruments, resulting in a stronger investment performance compared to the prior year.

Saudi Re continues to maintain a well-balanced underwriting portfolio with 36% in international business (percentage of GWP), while maintaining a focus on risk selection that reflects positively on underwriting performance. Steady growth driven by 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.

9.2 REVENUE

Saudi Re maintained a strong 5-year growth momentum with a 24% increase in GWP, reaching ₪ 2.93 billion in 2025.

	2025 (₪ '000)	2024 (₪ '000)	2023 (₪ '000)	2022 (₪ '000)	2021 (₪ '000)	2020 (₪ '000)
Gross Written Premium	2,927,741	2,359,842	1,596,809	1,403,281	1,115,880	935,114

Reinsurance Revenue reached ₪ 1.6 billion, during the year, marking 48% growth year on year. This performance was driven by growth across most business lines, leading to a positive outcome in the net reinsurance result.

Reinsurance highlights (IFRS 17)

	2025 (₪ '000)	2024 (₪ '000)	2023 (₪ '000)	2022 (₪ '000)
Reinsurance revenue	1,672,498	1,129,966	627,187	696,998
Reinsurance service result	170,726	142,532	119,762	83,589
Net investment income	127,740	440,181	60,388	8,379
Net financial result	64,980	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	140,044	474,812	124,429	76,052

Revenue highlights (IFRS 4)

	2022 (ﷲ '000)	2021 (ﷲ '000)	2020 (ﷲ '000)	2019 (ﷲ '000)	2018 (ﷲ '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

9.3 REINSURANCE REVENUE BY LINE OF BUSINESS

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 international lines of business, enabled the Company to reconsider and improve its reinsurance terms for some business lines, and included non-renewal of part of the book of business that was underperforming.

Reinsurance revenue by lines of business

	2025 (ﷲ '000)	2024 (ﷲ '000)	2023 (ﷲ '000)	2022 (ﷲ '000)
Property and Casualty	1,601,752	1,081,768	604,286	631,595
Life and Health	70,746	48,198	22,901	65,403
Total	1,672,498	1,129,966	627,187	696,998

Reinsurance revenue by geography

	2025 (ﷲ '000)	2024 (ﷲ '000)	2023 (ﷲ '000)	2022 (ﷲ '000)
Kingdom of Saudi Arabia (KSA)	900,337	479,877	216,821	255,592
International	772,161	650,089	410,366	441,406
Total	1,672,498	1,129,966	627,187	696,998

Reinsurance service results by line of business

Saudi Re’s underwriting strategy yielded a 20% improvement in the reinsurance service result, with profit across most business lines.

	2025 (ﷲ '000)	2024 (ﷲ '000)	2023 (ﷲ '000)	2022 (ﷲ '000)
Property and Casualty	161,383	131,159	111,665	78,387
Life and Health	9,343	11,373	8,097	5,202
Total	170,726	142,532	119,762	83,589

Reinsurance service results by geography

The reinsurance service result for the Saudi market declined due to several large losses. In contrast, the international portfolio recorded improved results despite the impact of major events, including the Thailand earthquake.

	2025 (฿ '000)	2024 (฿ '000)	2023 (฿ '000)
KSA	106,233	110,581	86,807
International	64,493	31,951	32,954
Total	170,726	142,532	119,762

Reinsurance service expenses by line of business

	2025 (฿ '000)	2024 (฿ '000)	2023 (฿ '000)	2022 (฿ '000)
Property and Casualty	1,407,052	951,333	495,339	531,436
Life and Health	61,089	36,490	14,435	59,732
Total	1,468,141	987,822	509,774	591,168

Reinsurance service expenses (IFRS 17)

	2025 (฿ '000)	2024 (฿ '000)	2023 (฿ '000)	2022 (฿ '000)
Incurred claims and other directly attributable expenses	1,451,900	945,506	611,206	597,537
Changes that relate to past service – adjustments to the Liability for Incurred Claims (LIC)	(115,847)	(110,310)	(249,212)	(83,069)
Losses on onerous contracts and reversal of those losses	73,863	113,273	132,877	65,268
Reinsurance acquisition cash flows amortization	58,225	39,353	14,903	11,432
Total	1,468,141	987,822	509,774	591,168

Underwriting costs and expenses (2018-2022) (IFRS 4)

	2022 (฿ '000)	2021 (฿ '000)	2020 (฿ '000)	2019 (฿ '000)	2018 (฿ '000)
Gross claims paid	(537,845)	(471,216)	(481,191)	(436,701)	(389,327)
Retroceded premiums	75,974	61,707	181,476	60,006	24,638
Net claims incurred	(595,044)	(565,312)	(391,980)	(417,070)	(404,054)
Policy acquisition costs and profit commissions	(218,199)	(232,404)	(194,682)	(172,781)	(172,472)
Other underwriting expenses	(1,995)	(5,063)	(4,002)	(3,616)	(1,997)
Total underwriting costs and expenses	(815,238)	(802,779)	(590,665)	(593,467)	(578,523)
Net underwriting income	127,468	71,626	69,149	67,244	51,560

Net finance expense/income from net reinsurance contracts

	2025 net (S '000)	2024 net (S '000)	2023 net (S '000)	2022 net (S '000)
Interest accreted	(65,115)	(52,006)	(39,110)	(25,435)
Effect of changes in interest rates and other financial assumptions	(19,425)	6,576	(25,733)	(9,370)
Effects of measuring changes in estimates at current rates and adjusting the contractual service margin (CSM) at rates on initial recognition	9,922	(4,214)	25,959	24,908
Foreign exchange differences	11,858	12,125	4,259	11,381
Total	(62,760)	(37,429)	(34,626)	1,484

Investment income

Investment assets portfolio increased as a result of the PIF capital raise and funds from operations. Investment assets were actively allocated into fixed term deposits and fixed income instruments to lock in higher yields for a longer duration. This strategy in the high-interest environment led to increased returns from investments and allocation to longer duration and diversification of good quality investments.

	2025 (S '000)	2024 (S '000)	2023 (S '000)	2022 (S '000)
Investment income from financial investments measured at amortized cost	96,173	68,240	53,278	38,728
Net income from financial investments measured at fair value	38,152	14,414	11,425	(25,289)
Gain on sale of investment in an equity accounted investee	–	365,949	–	(3,719)
Investment management expenses	(6,224)	(9,619)	(4,208)	(1,340)
(Charge)/reversal of expected credit losses	(361)	1,196	(108)	8,379
Net investment income	127,740	440,181	60,388	33,105
Share of profit of equity accounted investee	–	2,510	40,071	41,484
Total	127,740	442,691	100,458	74,589

9.4 NET INCOME

	2025 (S '000)	2024 (S '000)	2023 (S '000)	2022 (S '000)
Total income for the year before zakat and tax	190,635	505,716	158,562	91,318
Zakat and tax charge for the year	(50,591)	(30,904)	(33,948)	(15,266)
Net income for the year after zakat and tax attributable to the shareholders	140,044	474,812	124,429	76,052
Basic and diluted earnings per share for the year	0.84	3.69	0.96	0.59

Comprehensive income

	2025 (₹ '000)	2024 (₹ '000)	2023 (₹ '000)	2022 (₹ '000)
Net income for the period after zakat and tax attributable to shareholder	140,044	474,812	124,429	76,052
Financial investments at FVOCI – net change in fair value	7,005	1,560	711	(8,285)
Re-measurement gain/(loss) on employees' end of service benefits	2,555	(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	149,604	465,093	126,445	59,047

9.5 ASSETS

The Company's growth was also reflected in assets, which increased by ₹ 1.2 billion 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 2025 (₹ '000)	31 December 2024 (₹ '000)	31 December 2023 (₹ '000)	31 December 2022 (₹ '000)
Cash and bank balances	94,715	73,465	87,905	31,556
Financial investments at fair value through income statement	682,979	94,825	154,456	272,653
Financial investments at fair value through other comprehensive income	546,200	285,915	141,633	119,921
Financial investments at amortized cost	1,854,984	1,916,208	1,127,330	1,030,133
Reinsurance contract assets	120,273	92,128	77,827	104,791
Retrocession contract assets	907,625	627,928	439,593	189,246
Prepaid expenses, deposits, and other assets	218,622	180,821	195,602	106,540
Property and equipment, net	29,448	29,553	30,524	30,807
Intangible assets, net	5,274	6,163	6,615	5,572
Investment in an equity accounted investee	–	–	208,990	160,687
Statutory deposit	169,810	89,100	89,100	89,100
Accrued income on statutory deposit	6,785	22,314	22,057	22,084
Total assets	4,636,715	3,418,420	2,581,631	2,163,093

9.6 LIABILITIES

The Company’s total liabilities grew by 35%, owing to business growth during the year.

	31 December 2025 (ﷲ '000)	31 December 2024 (ﷲ '000)	31 December 2023 (ﷲ '000)	31 December 2022 (ﷲ '000)
Margin loan payable	56,797	56,797	56,797	56,797
Reinsurance contract liabilities	2,189,518	1,585,142	1,214,795	845,925
Retrocession contract liabilities	33,388	16,932	190	12,156
Accrued expenses and other liabilities	61,165	46,564	76,864	176,413
Employees’ end of service benefits	30,133	30,352	18,633	13,868
Provision for zakat and tax	67,311	41,671	41,548	17,533
Accrued commission income payable to IA	6,785	29,046	25,982	23,219
Total	2,445,097	1,806,504	1,434,809	1,238,887

9.7 EQUITY

Total equity increased to ﷲ 2.19 billion at the end of 2025, compared to ﷲ 1.61 billion at the end of 2024, representing a 36% increase during the year. This growth reflects improved profitability, in addition to the strengthening of the Company’s capital base following the capital increase associated with the Public Investment Fund’s entry as a strategic shareholder.

Excluding the impact of the capital increase, total equity grew by approximately 10%, reflecting the Company’s improved operational performance and earnings during the year.

	31 December 2025 (ﷲ '000)	31 December 2024 (ﷲ '000)	31 December 2023 (ﷲ '000)	31 December 2022 (ﷲ '000)
Share capital	1,698,100	891,000	891,000	891,000
Share premium	151,680			
Statutory reserve	190,902	162,893	67,931	43,045
Retained earnings	182,530	585,294	194,358	94,815
Share-based payment reserve	11,118	–	–	–
Treasury shares	(25,000)	–	–	–
Other reserves	(17,713)	(27,272)	(6,468)	(11,677)
Total equity	2,191,617	1,611,915	1,146,822	1,017,184

9.8 DIVIDENDS

Saudi Re announced that its Board of Directors has recommended, on 21 March 2025, to increase the Company’s share capital from ﷲ 1,158,300,000 to ﷲ 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 General Assembly approved on 9 October 2025 the capital increase through the capitalizing ﷲ 539,800,000 from retained earnings, granting 4 bonus shares for every 9 shares owned. Additionally, 2,500,000 shares allocated to the Company’s Long-Term Employee Incentive Program. No cash dividends were distributed during 2025.

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.

9.9 ZAKAT, TAXES, FEES, AND OTHER CHARGES

Description	Reasons	Paid amount (ﷲ '000)	Outstanding amount at end of financial period (ﷲ '000)
Zakat and income tax	The Company’s share according to zakat and tax regulations in the Kingdom	21,222	67,311
WHT	The Company’s share according to zakat and tax regulations in the Kingdom	21,997	5,002
VAT	The Company’s share according to zakat and tax regulations in the Kingdom	106,618	14,219
IA fees	Supervision fees for the Insurance Authority	15,200	1,546
GOSI	Social insurance contributions for Company employees to the General Organization for Social Insurance	3,910	334

9.10 SOLVENCY AND RATING

Capital adequacy and Solvency Margin

336%	292%
(Insurance Authority)	(S&P)

Credit ratings

S&P Global

Long-term issuer credit and insurer financial strength	Regional scale rating
A-	gcAAA

Moody's

Insurance Financial Strength Rating (IFSR) International scale	Insurance Financial Strength Rating (IFSR) National scale
A2	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.

The recent affirmation of Saudi Re’s rating at “A-” with a “Positive” outlook by S&P Global Ratings is underpinned by the following strategic pillars:

- Robust Competitive Position: Over the past two years, the Company has demonstrated strong market competitiveness, driven by exponential top-line growth and a diversified global footprint.
- Superior Underwriting Excellence: Saudi Re continues to deliver technical performance that consistently outperforms many of its regional and international peers, reflecting a disciplined approach to risk selection.
- Exceptional Capital Resilience: The Company maintains capital adequacy buffers that exceed the 99.99% confidence level according to S&P’s rigorous capital model, ensuring long-term financial stability.

Moody’s upgraded Saudi Re’s insurance financial strength rating to A2 with a stable outlook, reflecting the Company’s strengthened capitalization, improved business profile, and consistent underwriting discipline. The upgrade recognizes Saudi Re’s solid market position in the Kingdom, expanding international presence, prudent risk selection, and resilient earnings profile, reinforcing confidence in its ability to navigate market cycles and sustain long-term financial strength.

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

- Strengthened business and financial profiles following Saudi Arabia’s Public Investment Fund’s acquisition of a significant minority stake in Saudi Re and the implementation of enhanced domestic cession regulations, which the Company is well positioned to take advantage of to support its market position and growth prospects in Saudi Arabia.
- The expectation that Saudi Re will continue to benefit from ongoing growth and diversification of the Saudi economy, and government initiatives aimed at fostering growth in the local insurance industry.
- Despite potential challenges arising from macroeconomic uncertainty and financial market volatility, Moody’s expects Saudi Re’s profitability to remain good over the next 12-18 months, supported by both underwriting performance and investment returns. Saudi Re’s good geographical mix along with the development of new products will positively contribute to continued diversification, mitigating potential challenges.
- The stable outlook reflects Moody’s expectation that Saudi Re will maintain good underwriting discipline and profitability, while simultaneously keeping strong capital adequacy and assets quality.

SUSTAINABILITY REPORT

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Sustainability
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Sustainability
Performance

10. SUSTAINABILITY STRATEGY

We aspire to position Saudi Re at the forefront of the regional and international reinsurance landscape, shaping the future of risk with resilience, innovation, and disciplined growth. In an increasingly complex world, we view volatility not as a challenge, but as an opportunity to lead.

By combining financial strength, advanced risk analytics, and strategic diversification, we are building a future-ready platform that delivers sustainable, through-the-cycle value. Our ambition is clear: to be the trusted reinsurance partner of choice, consistently generating long-term value for our shareholders while supporting stability and growth across the markets we serve.



10.1 A STRATEGY FOR SUSTAINABLE VALUE

Saudi Re is committed to achieving regional leadership in sustainability by aligning its Strategy Towards 2028 with Environmental, Social, and Governance (ESG) principles. Our sustainability principles are integral to our Vision and Mission. It is an ethical duty as a reinsurance powerhouse to safeguard people and businesses, and this commitment drives transparency and accountability, together with environmental and social consciousness.

Our sustainability strategy begins with a primary duty: contributing to Saudi Vision 2030. As the Kingdom's National Reinsurer, we are a key enabler of the non-oil economy, maximizing local content and retaining reinsurance premiums locally. We champion national contribution internally starting from an operational level, fostering a dynamic, skilled workforce through our commitment to Saudization and the empowerment of women in leadership roles.

Grounded in a Sharia-compliant framework, this responsibility extends to all stakeholders and includes creating long-term, resilient value. We ensure fair and ethical client treatment through the Saudi Re Code of Professional Conduct and Ethics. We also actively support our communities, invest in developing our human capital, protect the environment, and participate in global initiatives to address climate change.

In 2025, we advanced our ESG strategy by further embedding sustainability criteria across underwriting, investments, procurement, human resources, and risk management, to ensure that every strategic decision aligns with our long-term resilience goals. We remain dedicated to providing stakeholders with transparent disclosures through adherence to GRI, SASB, and UNSDG standards, while actively engaging with regulators and investors to drive industry-wide progress.

10.2 SUSTAINABILITY PILLARS

Our organizational goals are achieved by advancing our strategic pillars, which are further aligned with the UN's Sustainable Development Goals (SDGs).

1

National contribution

- Aligning organizational goals with Saudi Vision 2030.
- Implementing sustainable procurement practices, prioritizing ethical sourcing and long-term value.



2

Strong governance and economic performance

- Operating with transparency to foster trust through clear communication.
- Fostering a culture of ethics, integrity, and regulatory compliance.
- Achieving financial soundness and sustainable profitability for our stakeholders.



3

Responsible customer relations

- Ensuring robust data protection, security, and compliance.
- Enhancing client satisfaction with personalized solutions and timely support.
- Embracing digitalization to improve innovation and efficiency.
- Offering products and solutions aligned with ESG principles.



4

People and community care

- Developing our workforce and sector talent through continuous training and growth opportunities.
- Creating a diverse, inclusive, and equitable work environment.
- Investing in community development through targeted local initiatives.
- Prioritizing the health and well-being of our workforce.
- Fostering key stakeholder relationships for mutual growth.



5

Sustainable insurance

- Integrating ESG criteria into underwriting, risk assessment, and decision-making.
- Investing responsibly in ethical and sustainable opportunities.
- Enhancing financial inclusion by developing accessible insurance solutions.



6

Environmental protection

- Supporting the energy transition and climate change mitigation.
- Minimizing our environmental footprint by enhancing efficiency, reducing waste, and conserving resources.



10.3 SHARIA GOVERNANCE

Our Governance Structure

Saudi Re’s ESG and sustainability governance is integrated into its broader corporate governance framework. The Board of Directors provides strategic oversight, with executive management driving implementation across all business functions. Leadership teams are regularly apprised of regulatory shifts and evolving frameworks, and the Board is further strengthened by annual training on critical topics such as financial crimes.

Guided by the Sustainability and Social Responsibility Policy, these efforts are reinforced by our Compliance, Risk Management, and Internal Audit functions to maintain the highest ethical standards. Furthermore, Saudi Re upholds robust Sharia Governance practices through an independent Sharia Committee, supported by the appointment of Shariyah Review Bureau (SRB). SRB facilitates Sharia-related discussions, product research, and Sharia reporting, while working closely with heads of functions to embed Sharia principles and rulings across different levels of the organization. These arrangements are further strengthened through a comprehensive external assurance process.

To ensure effective governance, two renowned and qualified Sharia scholars make up the Sharia Committee, which independently issues pronouncements; these rulings are binding on the Company.

- 1. Mohammed ElGari
- 2. Salah Shalhoob

About the Shariyah Review Bureau



SHARIYAH
REVIEW BUREAU

With nearly 20 years of experience serving the Islamic financial industry, Shariyah Review Bureau is a leading Middle East-based firm licensed by the Central Bank of Bahrain. SRB’s international scholarly platform features over 37 scholars across 16 countries (including Saudi Arabia, the UAE, Malaysia, and the UK), covering all 4 major schools of jurisprudence to empower Sharia compliance globally.

Independent administration by Shariyah Review Bureau

To facilitate and manage our governance framework, Saudi Re has appointed the SRB. SRB helps facilitate Sharia-related discussions, product research, and Sharia reporting, working with all functions to augment Sharia principles at every level of the organization.

SRB’s responsibilities include:

- **Managing** the independence of Saudi Re’s Sharia Committee and ensuring all products are certified in line with their rulings.
- **Coordinating** with all departments on Sharia issues and providing support during Sharia audits.
- **Overseeing** the development and enhancement of all products to ensure Sharia Committee certification.
- **Contributing** to the product development life cycle, from enhancement to new offerings, and coordinating stakeholder feedback.
- **Supervising** the internal Sharia audit to verify compliance with Sharia principles and standards.
- **Disclosing** relevant information to management regarding the Sharia governance framework, Sharia Committee rulings, product (non-compliance) risks, Zakat verification, and purification of non-permissible income.

10.4 STAKEHOLDER ENGAGEMENT

Stakeholders are central to Saudi Re's sustainability journey, long-term success, and value creation. Our sustainability strategy is built on the recognition of the critical role played by a broad range of stakeholders, including clients, brokers, shareholders, analysts, investors, employees, regulatory authorities, suppliers, and business partners.

This commitment is reflected in the development of our Sustainability and Social Responsibility Policy, as well as in our structured approach to stakeholder engagement, which informs the identification, assessment, and prioritization of material sustainability issues.



10.5 OUR SUSTAINABILITY POLICY

Our structured materiality assessment, defined by our Sustainability and Social Responsibility Policy, prioritizes ESG considerations by balancing stakeholder interests with our corporate strategy. Corporate Governance stands as our highest priority, anchoring a strategy that places equal weight on Financial Performance, Ethics, and our alignment with Saudi Vision 2030.

To sustain our resilience and growth, we aggressively prioritize Cybersecurity and Talent Development, while maintaining a relentless focus on Customer Satisfaction. Beyond these core pillars, our sustainability framework addresses critical themes including Innovation, Inclusivity, and Responsible Investing. Finally, we remain committed to holistic responsibility through initiatives focused on Community Investment, Environmental Management, Well-being, and Sustainable Procurement.

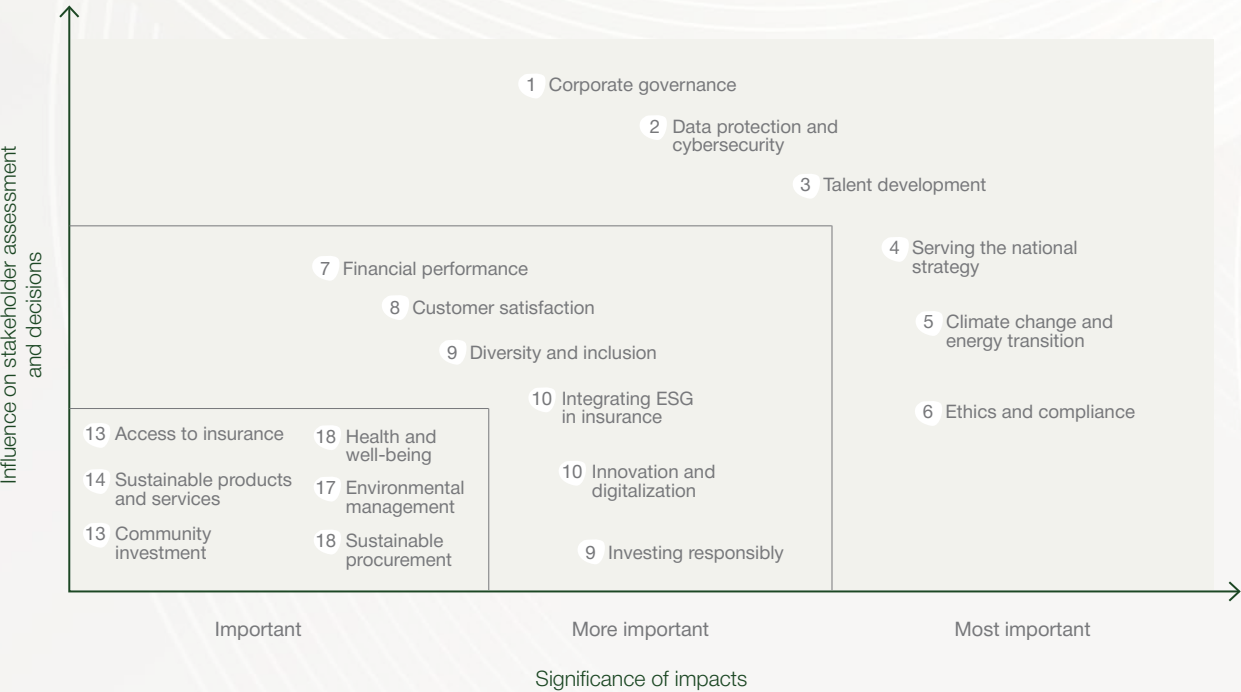
10.6 MATERIALITY

Saudi Re ensures the ongoing relevance and effectiveness of its policies for managing material sustainability topics through structured and regular review cycles.

These reviews are informed by continuous stakeholder engagement, monitoring of industry and regulatory developments, comprehensive risk assessments, peer benchmarking, legal and regulatory compliance checks, internal audits, and periodic materiality assessments. This proactive and disciplined approach ensures that our policies remain aligned with the Company’s strategic objectives, evolving risk landscape, and stakeholder expectations.

To ensure effective compliance with identified material topics, Saudi Re establishes and communicates clear policies, delivers regular training and awareness programs, and implements robust monitoring and reporting mechanisms. Compliance is further reinforced through internal audits, risk assessments, defined accountability frameworks, and continuous process improvement initiatives. In addition, the Company engages proactively with stakeholders, leverages technology to enhance oversight and reporting, seeks relevant external certifications where appropriate, and remains attentive to evolving legal and regulatory requirements to ensure sustained alignment and effectiveness.

The materiality map below present Saudi Re’s key material topics in order of importance.



11.1 NATIONAL CONTRIBUTION

Saudi Re’s commitment to national progress is operationalized through a rigorous alignment of internal policies with the strategic mandates of Saudi Vision 2030. In 2025, we transitioned beyond high-level advocacy to a phase of deep institutionalization, ensuring that our presence in over 40 countries serves as a conduit for economic diversification and international strength. By bridging global operational standards with domestic objectives, we have successfully exported Saudi financial expertise while simultaneously reinforcing the Kingdom’s position as a resilient hub for the global reinsurance industry.

Central to this mission is the cultivation of a high-caliber national workforce, evidenced by a Saudization rate exceeding 80%. Our focus remains on the “quality of localization,” where Saudi nationals are empowered to lead in technical, operational, and senior management functions. This is supported by structured mentorship and specialized training programs designed to bridge the gap between academic potential and executive leadership. Furthermore, we continue to drive an inclusive corporate culture that has accelerated the progression of female professionals into senior leadership roles, directly contributing to the Vision 2030 goals of equality, sustainable growth, and a diverse, knowledge-based economy.

Local Content Development

Saudi Re remains a primary driver in expanding the insurance sector’s contribution to the national economy by maximizing local content in risk coverage. This strategic alignment bolsters the stability of the domestic reinsurance landscape and ensures that a greater portion of risk-related capital remains within the Kingdom, directly supporting the Financial Sector Development Program and national economic resilience.

A key pillar of this effort is the implementation of the Reinsurance Cession mechanism, as mandated by the Insurance Authority (IA) directive issued in October 2022. This plan involves a progressive increment to a minimum of 20% in 2023, 25% in 2024, and 30% in 2025 for all Reinsurance Treaties, encompassing both proportional and non-proportional arrangements.

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

Surety Bonds and Credit Insurance Workshop



Service Export

Saudi Re serves as a strategic catalyst for the Kingdom’s non-oil GDP growth by maximizing domestic premium retention and expanding the export of reinsurance services to over 40 global markets. This dual approach aligns with Saudi Vision 2030, anchoring high-value capital within the country and expanding our international footprint.

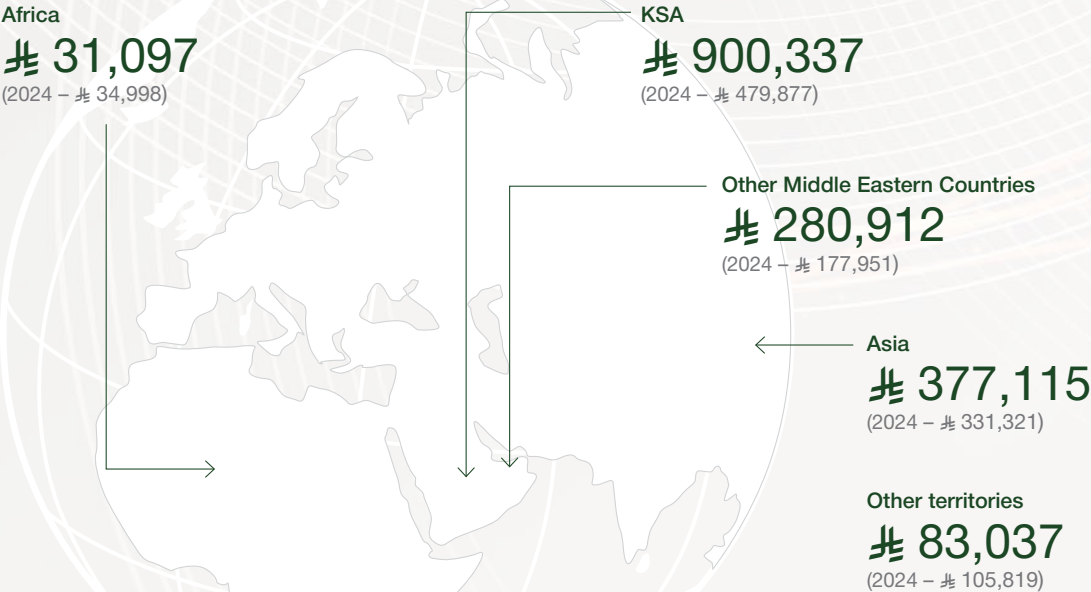
Training and Education

We view the development of human capital as a vital investment in our long-term resilience and the Kingdom’s financial future. Our approach to professional growth is institutionalized through two flagship initiatives designed to cultivate excellence both within our organization and across the regional market.

Saudi Re Development Program (SRDP): This program serves as our internal framework for excellence, the SRDP integrates technical training, professional qualifications, and leadership development. By aligning on-the-job learning with evolving regulatory and business needs, we ensure our team remains at the forefront of the global reinsurance industry.

Reinsurance Advancement Program (REAP): Beyond our internal operations, we are committed to elevating the standards of the broader insurance ecosystem. Through REAP, we provide specialized technical training designed to build capabilities among market professionals, which contributes to reinforcing the Kingdom’s position as a hub for financial expertise.

36%
of GWP from international business
(41% in 2024)

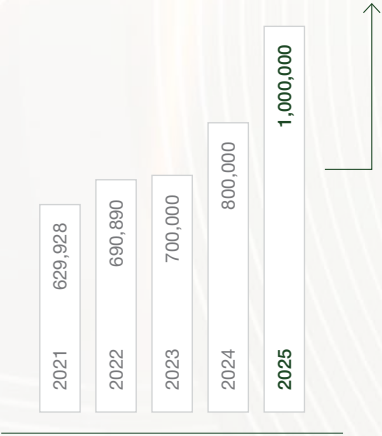


Reinsurance Revenue Geo Performance
All Numbers are in thousands

Avg. 64
training hours per employee
(13 in 2024)

6 Employees
supported to pursue
professional qualifications
(6 in 2024)

﷼ 1,000,000
Investment in Training
and Education
(﷼ 800,000 in 2024)



Youth Development and Saudization

Saudi Re remains committed to building a sustainable talent ecosystem by bridging the gap between academic potential and professional leadership. Our human capital strategy is anchored in structured career pathways, technical capability, and a deep commitment to Vision 2030 through the continuous enhancement of our Saudization ratio.

Future Leaders Program (FLP): This structured, one-year initiative identifies and grooms high-potential recent graduates with the essential skills and technical knowledge required for leadership roles within the reinsurance sector. The FLP serves as our primary vehicle for succession planning.

Graduate Internship Programs: Through strategic partnerships with leading academic institutions, we provide immersive, hands-on experience via the Saudi Re Internship Program. By integrating participants into the Cooperative Training and Tamheer programs, we offer rigorous departmental exposure that ensures Saudi graduates are well-prepared to contribute to the Kingdom’s evolving financial landscape.

Product Development and Innovation

To address the evolving landscape of new and emerging risks within the Kingdom, Saudi Re provides a comprehensive suite of innovative reinsurance solutions and specialized products.

31.25%
employees below 30 years of age
(29% in 2024)

90%
Saudization rate of Senior Management
(92% in 2024)

80%
Saudization rate
(80% in 2024)

11.2 SUSTAINABLE SUPPLY CHAIN
MANAGEMENT

GRI 204-1

At Saudi Re, a dedication to ethical business practices is central to our core values. To maintain a sustainable and responsible supply chain, a transparent and fair procurement process is employed that extends beyond conventional practices. Prior to entering into any transaction, business partners are rigorously evaluated and documented to ensure full alignment with our standards, including a thorough assessment of the sustainability impact of products purchased.

Our primary supplier categories include:

- **Reinsurance Brokers:** Facilitate access to global reinsurance markets, providing specialized expertise, market intelligence, and placement services.
- **Actuarial Consultants:** Offer critical support in pricing, risk assessment, and reserves evaluation to ensure sound underwriting decisions.
- **IT and Software Providers:** Supply technology solutions for underwriting, claims management, and risk modeling, ensuring operational efficiency and innovation.
- **Professional Services:** Include legal, audit, and financial advisory firms that support regulatory compliance, corporate governance, and strategic initiatives.
- **Facility and Operational Services:** Encompass office management, maintenance, and utilities providers to sustain daily operations.

A strategic focus is placed on local content development, with local spending meticulously measured to reflect our dedication to advancing the objectives of Saudi Vision 2030. By prioritizing local sourcing, reliable partnerships are established to further our operations and actively contribute to the growth of the national economy.

₹ 45.3 million

Total procurement spending

(₹ 54.8 million in 2024)

₹ 37 million

Amount spent on
local suppliers

(₹ 40.4 million in 2024)

82%

of total procurement
spending on local suppliers

(74% in 2024)

119

Number of local suppliers

(87 in 2024)



Saudi Re proactively identifies and manages supply chain risks that could potentially impact operational continuity. These include disruptions arising from a supplier’s financial or capacity challenges, data security vulnerabilities that could lead to cyberattacks or breaches of confidential information, and compliance risks where a partner may fail to meet local or international regulatory standards. To mitigate these threats, a “first-line of defense” methodology is employed, utilizing updated risk registers and rigorous pre-engagement risk assessments to ensure all partners align with our requirements for security and reliability.

Beyond risk mitigation, our supply chain presents significant opportunities to enhance resilience and drive innovation. By leveraging a diverse network of brokers, agents, and consultants, dependency on single sources is reduced, improving overall adaptability to market disruptions. Furthermore, collaboration with technology providers and specialized consultants accelerates our digital transformation, particularly in the adoption of AI technologies and the refinement of actuarial services. These partnerships are instrumental in maintaining adequate solvency margins and robust reserves, ultimately contributing to greater financial efficiency and long-term stability for the Company.



11.3 CORPORATE GOVERNANCE

As the first full-fledged licensed reinsurance company in Saudi Arabia, we maintain a governance framework that reinforces our global position while honoring our institutional legacy. By embedding a culture of accountability and professional diligence within our Board and Executive Management, we ensure our governance standards serve as the foundation for our leadership and operational oversight.

Governance Framework



The Board of Directors: Composition and Oversight

Our Board of Directors provides the strategic stewardship necessary to maintain Saudi Re's high standards of integrity and control. With a composition of seven Independent and four Non-Executive, the Board leverages over two decades of cross-disciplinary experience to steer the Company through complex regulatory landscapes. Key responsibilities include ensuring the accuracy of financial reporting, optimizing internal control systems, and maintaining a rigorous disclosure process that aligns with international best practices.

Governing Policies and Regulations

Saudi Re's operational activities and compliance culture are governed by a comprehensive set of Board-approved policies, including:

- 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

Key Actions for 2025 Framework and process improvements

During 2025, Saudi Re undertook several strategic initiatives to further advance the Company's governance framework, ensuring strict alignment with the evolving requirements of the Insurance Authority (IA), Ministry of Commerce (MoC), and Capital Market Authority (CMA).

- A comprehensive review of the Corporate Governance Policy was conducted to ensure full regulatory alignment.
- Board and committee reporting structures were enhanced, fostering greater transparency and more effective oversight.
- Periodic governance awareness sessions were introduced for management and key staff to ensure compliance across all levels of the Organization.
- Internal disclosure processes were strengthened, ensuring the timely and accurate reporting of information to regulators and shareholders.

Board committee strategic evolution

The Board approved several key appointments in 2025 to bolster the independence, objectivity, and specialized expertise of its committees:

- An independent member was appointed to the Risk Management Committee to enhance risk oversight and objective evaluation.
- An independent member was appointed to the Technical Committee, deepening the body’s technical expertise and decision-making rigor.
- A new member was appointed to the Executive Committee to further bolster strategic stewardship and operational oversight.
- The Nomination and Remuneration Committee was strengthened by the appointment of a new member to ensure continued transparency in succession planning and compensation governance.

Committee Performance and Oversight Highlights

Throughout the year, Board Committees played a pivotal role in maintaining the Company’s robust risk and compliance posture through the following dedicated activities:

Investor Relations and Shareholder Engagement

During 2025, the Investor Relations (IR) function was further institutionalized to bolster market confidence and heighten corporate transparency. The IR Department prioritized the delivery of timely, accurate disclosures and enhanced the accessibility of financial and strategic data, ensuring the investment community remained fully informed of Saudi Re’s performance.

Shareholder engagement was maintained through earnings calls, direct one-on-one meetings, and the successful execution of the AGM and EGM. These efforts were complemented by participation in local and international roadshows and investor conferences. Financial and corporate disclosures were communicated effectively via the Saudi Exchange (Tadawul) and mainstream financial media, providing stakeholders with clear insights into Saudi Re’s long-term value proposition.

Furthermore, digital accessibility was optimized through upgrades to the dedicated IR App and corporate website, while the integration of reinforced governance and ESG disclosures ensured continued alignment with evolving global investor expectations.

Audit Committee

Validated the integrity of financial statements, monitored audit findings, and verified the effectiveness of internal control and compliance frameworks.

Risk Management Committee

Monitored the corporate risk profile against the approved Risk Appetite Statement and evaluated emerging risks in line with regulatory expectations.

Nomination and Remuneration Committee

Executed performance evaluations for the Board and its Committees, reviewed executive compensation, and spearheaded succession planning initiatives.

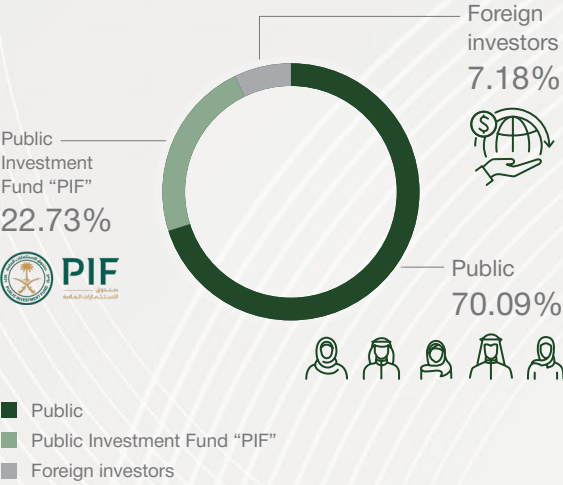
Executive Committee

Provided strategic stewardship for management, overseeing investment decisions, capital management, and the execution of operational priorities.

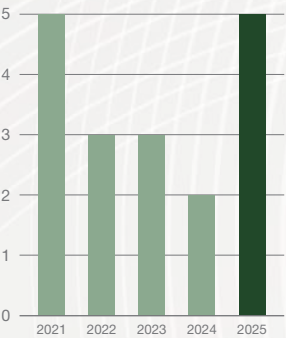
Technical Committee

Reviewed underwriting performance and reinsurance arrangements to ensure technical results remained aligned with business strategy and regulatory standards.

Ownership structure

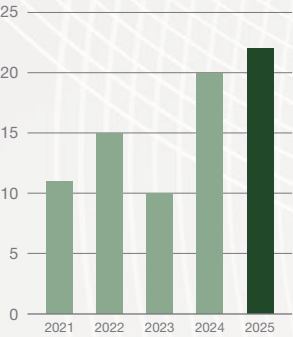


Investor conferences (Nos.)



Direct investor engagement

Investor calls/meetings (Nos.)



11.4 BUSINESS ETHICS AND COMPLIANCE

Ethical standards at Saudi Re are governed by a rigorous Code of Professional Conduct and Ethics that outlines the expectations for all employees. Central to this framework is a firm commitment to anti-corruption and anti-bribery standards. Supported by the Legal Department, the Compliance Function oversees the ongoing reinforcement of these principles, delivering essential training and fostering a culture of transparency and accountability throughout the Company.

Key Actions for 2025

Processes and operational improvements

- The Compliance Department launched a centralized monitoring process via the INSIAB system, which automates the renewal and management of company policies and procedures, providing management with real-time status tracking and heightened visibility. This digital transition significantly improves cross-departmental accountability, ensuring that compliance timelines are met with greater efficiency and operational consistency.

Employee awareness and compliance culture enhancement

- Mandatory training sessions covering AML, CTF, PF, Anti-Fraud, and Anti-Corruption were conducted through both face-to-face and digital platforms to ensure comprehensive organizational coverage.
- Awareness guides and internal campaigns were developed to simplify complex compliance policies, ensuring they are accessible and understood across all employee levels.
- A culture of integrity was reinforced through active leadership engagement, with Senior Management maintaining continuous communication to signal a top-down commitment to ethical excellence.

Policy and management support

- A comprehensive review of all corporate policies and procedures was initiated to ensure continuous alignment with the latest regulatory requirements and global industry best practices.
- The Code of Ethical Conduct was updated to reflect current regulatory expectations.
- The Whistleblowing Policy was enhanced to further secure anonymous reporting channels.

Our Commitment to Compliance Excellence

Saudi Re has institutionalized specialized functions to ensure the sustained engagement of Senior Management in driving a culture of ethical conduct. Our commitment to regulatory adherence and international best practices serves as a catalyst for sustainable economic growth within the Kingdom. These initiatives are strategically designed to promote a professional work environment that aligns with national development goals, strengthening the mechanisms for institutional transparency and global partnerships.

Compliance and Ethical Framework

To embed integrity across all operational activities, Saudi Re has implemented a comprehensive suite of Board-approved policies and charters, including:

- 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

OVERVIEW
BUSINESS CONTEXT, STRATEGY, AND PERFORMANCE
SUSTAINABILITY REPORT
CORPORATE GOVERNANCE
OPERATING PERFORMANCE
ANNEXES

Saudi Re’s governance and compliance architecture is rigorously mapped to the frameworks of leading regulatory bodies, ensuring full adherence to:

- **The Insurance Authority (IA):** Compliance with the Insurance Corporate Governance Regulations, Insurance Consumer Protection Principles, and Audit Committee Regulations.
- **The Capital Market Authority (CMA):** Strict adherence to the Corporate Governance Regulations and overarching capital market mandates of the Kingdom of Saudi Arabia.

The following actions have been taken in compliance with national and international regulations.

0

Employees dismissed and/or disciplines for corruption

0

of operations assessed for risks related to corruption

100%

of employees trained on risks related to corruption

(99% in 2024)

100%

of employees trained on risks related to money laundering and financial crime

(99% in 2024)

Internal Audit and Control Framework

The Internal Audit Department (IAD) is mandated to provide independent and objective assurance designed to add value and improve Saudi Re’s operational efficiency. By conducting systematic reviews of business activities, financial systems, and internal accounting controls, the IAD provides Management and the Audit Committee with an impartial appraisal of the Company’s control environment.

Responsibility and mandate

Established by the Board of Directors, the internal audit function derives its authority directly from the Audit Committee. To ensure the highest degree of objectivity, the Department maintains a dual reporting line: reporting functionally to the Audit Committee and administratively to the Managing Director/CEO.

The IAD executes an annual review of internal controls, utilizing a comprehensive, company-wide risk-based audit. Parallel to these efforts, the Compliance and Risk Management functions actively foster a culture of integrity by creating awareness, setting clear standards and ensuring rigorous alignment with applicable regulations.

Our Commitment to Organizational Integrity

Saudi Re remains steadfast in cultivating an ethical and compliant culture. We recognize that non-compliance with laws and regulations undermines organizational integrity and presents significant legal, reputational, and financial risks. By integrating global best practices and effectively managing inherent risks across all business operations, the Company fosters the accountability and ethical conduct essential for long-term sustainability and stakeholder trust.



	2025	2024	2023	2022	2021	2020
Total incidents of non-compliance with laws and regulations (Nos.)	2	1	1	1	1	–
Total number of non-monetary sanctions (Nos.)	–	–	–	–	–	–
Total amount of legal and statutory fines and settlements (ﷲ)	–	–	–	–	–	–
SASB Metric (FN-IN-270a.1)						
Value of any monetary losses as a result of legal proceedings (ﷲ)	40,500	100,000	40,000	20,000	–	–

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:

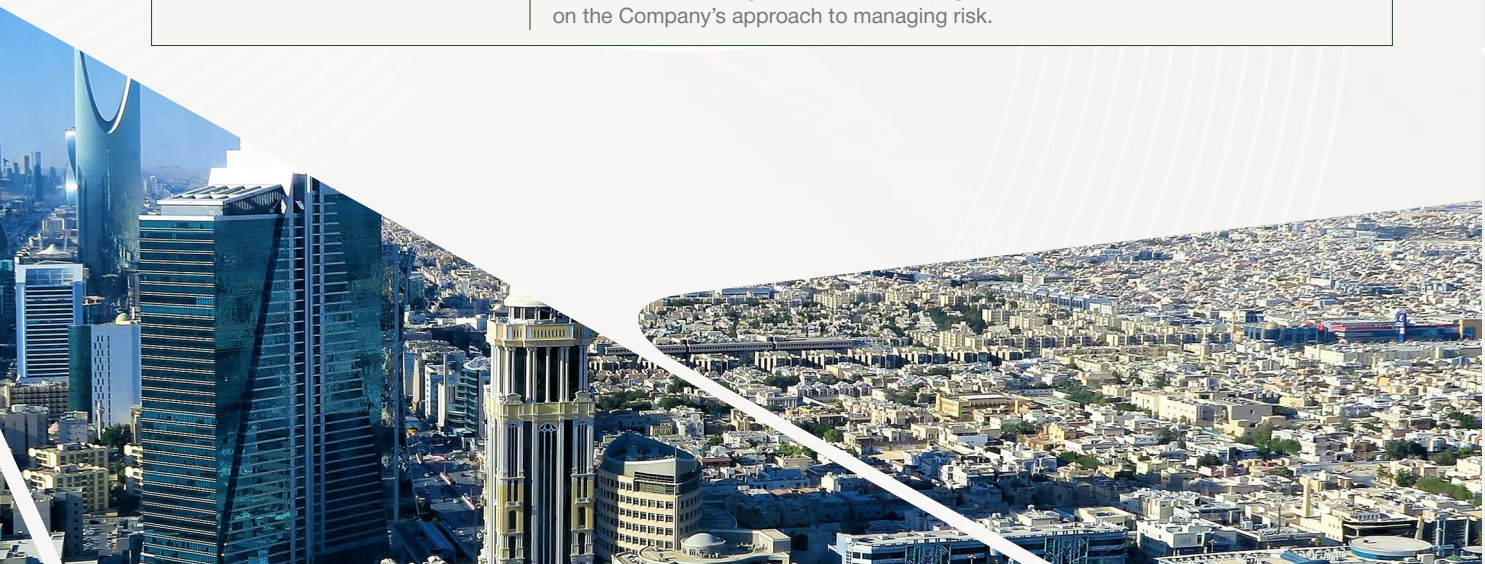
- Saudi Re has its own risk appetite, which is as follows:
Saudi Re should ensure the available capital is above the highest of the followings:
1. At least 125% of required economic capital, according to Saudi Re Internal Capital Model
 2. At least 125% of SAMA Required Solvency
 3. At least 125% of 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 108 for more information on the Company's approach to managing risk.



11.5 FINANCIAL PERFORMANCE

2025 marked a transformative chapter for Saudi Re, solidifying our position as a premier regional leader in the reinsurance landscape. Our commitment to delivering sophisticated solutions has yielded exceptional financial performance and reinforced our reputation for excellence.

Gross Written Premium (GWP) rose by 24.1%, reaching ﷲ 2.9 billion. This robust upward trajectory climbing from ﷲ 2.4 billion in 2024 was propelled by disciplined underwriting and a deliberate expansion into high-potential market segments. Our sustained growth is underpinned by strong credit ratings, which continue to validate our balance sheet resilience and competitive standing. By capitalizing on emerging opportunities and diversifying revenue streams across both domestic and international fronts, the Company has achieved Reinsurance Service Result of ﷲ 170.7 million, a significant increase from ﷲ 142.5 million in the previous year.

Saudi Arabia remains the strategic anchor of our portfolio, representing 64.2% of our total business as of 31 December 2025. While our international operations remain a vital pillar at 35.8%, our domestic performance saw particularly accelerated growth this year, further deepening our footprint in the Kingdom’s evolving economy.

As we look toward the horizon, Saudi Re remains dedicated to driving sustainable growth and market leadership. We are poised to continue creating long-term value for our stakeholders through innovation, stability, and a relentless focus on our core strategic objectives.

11.6 CLIENT FOCUS AND MARKET DEVELOPMENT

At Saudi Re, fostering enduring partnerships and delivering exceptional value are the cornerstones of our growth strategy. Throughout 2025, we undertook a series of strategic initiatives designed to deepen client relationships, advance technical expertise, and elevate professional standards within the insurance ecosystem.

Key Actions for 2025

Technical leadership and capacity building

- **Reinsurance Advancement Program (REAP):**
In October, we successfully delivered a five-day REAP program at the Financial Academy (KAFD). In collaboration with the Insurance Authority (IA), EY, and the Singapore College of Insurance (SCI), we engaged 35 professionals in intensive sessions covering core reinsurance and specialty lines.
- **Specialized technical seminars:**
 - **Retail malls and associated risks:** In June, we conducted an underwriting seminar in Riyadh for 70 industry stakeholders, including cedents, brokers, and potential partners like Saudi EXIM Bank and ICIEC.
 - **Surety bonds and credit insurance:** A dedicated technical session was held in September at the House of Culture to explore emerging risks in credit markets.
 - **Group life pricing:** In February, we hosted a webinar sponsored by FAIR, focusing on life insurance pricing methodologies for regional partners.



Saudi national day celebration

Strategic networking and stakeholder engagement

- **Market suhoor gathering:** In March, we hosted a Suhoor gathering for 34 key participants from the Saudi insurance market, providing a platform for the exchange of ideas in a collaborative environment.
- **INGATE exclusive dinner:** During the Global Insurance Conference & Exhibition (ingate) in Riyadh, we held an executive dinner at Riyadh to reinforce strategic ties with major domestic and international stakeholders.

Global market presence, and client outreach

- **Client visit program:** Our underwriting team conducted business visits across the Kingdom and internationally, furthering service delivery and relationship development.
- **International conference participation:** We represented the Saudi market at premier global and regional gatherings, including:
 - **Rendez-Vous de Septembre (RVS)** – Monte Carlo
 - **Singapore International Reinsurance Conference (SIRC)**
 - **Global Insurance Conference & Exhibition (ingate)** – Riyadh
 - **Dubai World Insurance Congress (DWIC)**
 - **FAIR conference** – India
 - **India rendezvous**



GIFT City Launch Celebration



REAP Training



Labuan Branch Training Sessions

	2025	2024	2023	2022	2021
Number of clients	662	638	503	314	293
Number of claims requested to be settled during the year	2,263	2,278	2,281	2,855	2,083
Number of claims settled during the year	2,263	2,278	2,281	2,855	2,083
Percentage of settled claims during the year (%)	100	100	100	100	100
Number of client new claims during the year	3,102	3,235	3,024	2,935	3,020
Percentage of claims settled within seven working days (%)	92	96	98	97	97
Value of claims paid (ﷲ)	670,909,475	471,212,369	528,907,756	537,845,426	471,215,536

Cybersecurity and Data Privacy

In 2025, we maintained a stable and controlled cybersecurity posture, characterized by a proactive approach to risk management and governance. Our framework is strictly aligned with the Insurance Authority (IA) Cybersecurity Framework (CSF); according to our most recent independent assessment, we have achieved a Level 3 Maturity across all domains. Our cybersecurity policies and governance documents are reviewed annually to ensure alignment with both emerging global threats and local regulatory expectations. Formal risk assessment processes remain central to our operations, allowing us to identify and mitigate vulnerabilities within our approved risk appetite under consistent executive oversight.

Our technical security capabilities were further strengthened during the year to provide comprehensive protection of internal data. We continue to leverage a robust suite of tools covering end point protection, vulnerability management, and network security. In 2025, we specifically focused on enhancing our visibility and incident response capabilities, ensuring that detection mechanisms are finely tuned to the evolving cyber landscape. Any identified gaps are managed through formal risk treatment plans and compensating controls.

Data Privacy and Personal Data Protection (PDPL)

Our cybersecurity and data protection functions have implemented rigorous controls to safeguard sensitive information, including advanced access management and sophisticated data-handling protocols. In line with the PDPL, our Data Protection Officer (DPO) has focused on strengthening operational controls and reducing data-related risks through enhanced monitoring and endpoint security.

Beyond technical measures, we recognize that human awareness is vital to data security; throughout the year, we conducted targeted awareness initiatives to reinforce employee responsibility regarding data protection and acceptable use. During the 2025 financial year, there were no substantiated complaints regarding breaches of customer privacy, nor any recorded instances of customer data loss.

11.7 SUSTAINABLE INVESTMENT

At Saudi Re, sustainability is the cornerstone of our evolution. By integrating Environmental, Social, and Governance (ESG) principles into our core framework, we go beyond traditional boundaries to champion environmental stewardship and cultivate enduring community resilience.

Knowledge Transfer and Sector Advancement

Recognizing that the future of the industry depends on specialized analytical talent, we maintain strategic collaborations with universities as well as offering tailored student traineeships. In addition, Saudi Re initiates insurance literacy programs and sponsors events to raise awareness about reinsurance.

During 2025, we intensified our efforts to enhance market accessibility through targeted technical training and awareness programs. These initiatives, delivered via our Riyadh Head Office and Kuala Lumpur branch, were designed to optimize underwriting capabilities and refine the technical understanding of reinsurance solutions among industry professionals. By facilitating this cross-border knowledge transfer, Saudi Re is fostering a more informed and accessible insurance environment across the MENA and Asian regions.

670

Participants in financial/
insurance literacy initiatives

(548 in 2024)

56

Employees trained in financial/
insurance literacy

(40 in 2024)

12

Training hours on financial/
insurance literacy

(7 in 2024)

Climate Risk and Resilience

Saudi Re is exposed to moderate environmental risk, primarily through climate-driven events that impact our global catastrophe portfolio. To manage these exposures and strengthen our resilience, we diversify our business across different regions and lines, supported by prudent capital management to absorb volatility. Additionally, the Company employs a structured risk mitigation framework:

- **Annual repricing:** Policies are reviewed and repriced annually to ensure premiums remain aligned with evolving risk dynamics and climate trends.
- **Catastrophe modeling:** We regularly update our catastrophe models to improve risk assessment accuracy and the reliability of our loss predictions.
- **Retrocession:** The strategic use of retrocession allows the Company to limit potential loss severity.

ﷲ 205 million

[SASB – FN-IN-450a.1]

Probable maximum loss (PML) of insured
products from weather-related natural
catastrophes

(ﷲ 225 million in 2024)

(ﷲ 68 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

(ﷲ 80 million in 2024)

(ﷲ 49 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

(ﷲ 253 million in 2024)

Strategic Alignment with Global Sustainability Goals

Saudi Re integrates sustainability across its operational framework, prioritizing financial and social inclusion, environmental stewardship, ethical procurement, and sustainable investment. Beyond internal operations, we are strategically aligning our reinsurance portfolio to support the global energy transition and decarbonization efforts.

ﷲ 49 million

[SASB FN-IN-410b.1]

Net premiums written related to renewable energy, energy efficiency, cleaner production, low-carbon technology

(ﷲ 3 million in 2024)

Strengthening Social Stability

The reinsurance industry serves as a fundamental pillar of social stability, providing a financial safety net that mitigates risk for both institutions and individuals. Saudi Re supports this objective by delivering robust coverage for life, health, and natural catastrophe. These efforts are central to our mission of fostering societal resilience and contributing to sustainable development.

ﷲ 445 million

Value of natural catastrophe premiums

(ﷲ 226 million in 2024)

ﷲ 35 million

Value of life and health policies (in force) reinsured

(ﷲ 6 million in 2024)

Sharia-Compliant Investing

As a Sharia-compliant entity, Saudi Re ensures all transactions remain aligned with Islamic ethical standards. Our investment strategy excludes investments with potential adverse societal impacts while actively prioritizing opportunities that foster equality and inclusion across our portfolio.

Total invested assets (ﷲ '000)
(differentiated by industry and asset class)

1,148,692

Reinsurance Operations Investments

(843,798 in 2024)

1,903,238

Shareholders Investments

(1,423,690 in 2024)



11.8 COMMUNITY INVESTMENT
AND SOCIAL IMPACT

In our role as the Kingdom’s National Champion, socio-economic development remains a core strategic priority. We cultivate a culture of volunteerism through proactive internal advocacy, embedding community engagement as a fundamental organizational value. As a regional reinsurance leader, we are committed to advancing local human capital and industry standards, simultaneously mobilizing corporate and employee resources to meet vital social needs.

- **Empowering the next generation:** We actively invest in youth through specialized internship and summer programs, focusing on skill development and employment creation for new graduates to prepare them for leadership roles within the Kingdom’s financial sector.
- **Circular giving:** Our employees actively participate in donation drives, repurposing laptops, PCs, and clothing for charitable organizations. This initiative reduces e-waste while providing essential technology and resources to those in need.
- **Safety and awareness:** We champion a culture of safety through our “Be Aware, Drive with Care” simulation campaign for employees, promoting well-being and responsible behavior within our community.
- **Direct social support:** We provide targeted aid to charities addressing critical social issues and fulfill our religious and social obligations through the distribution of Zakat, contributing to the ongoing prosperity of the community.

Employee Well-being

We recognize that a culture of social responsibility begins within our own Organization. In 2025, we focused on fostering an environment that values the well-being of our employees.

- **Investing in our people:** Saudi Re earned the prestigious Great Place to Work Certification for 2025 from the global authority on workplace culture.
- **Health and wellness:** To support the health of our workforce and the wider community, we offer regular medical checkups and specialized awareness campaigns, including breast cancer screenings and health education for our female employees.
- **Work-life integration:** We hosted the “Bring Your Joy to Work” Family Day, an initiative designed to celebrate the families of our colleagues through workplace tours and workshops, reinforcing unity and work-life balance.
- **Operational safety:** To ensure a secure working environment, we maintain rigorous safety standards through regular fire drills and emergency preparedness training.



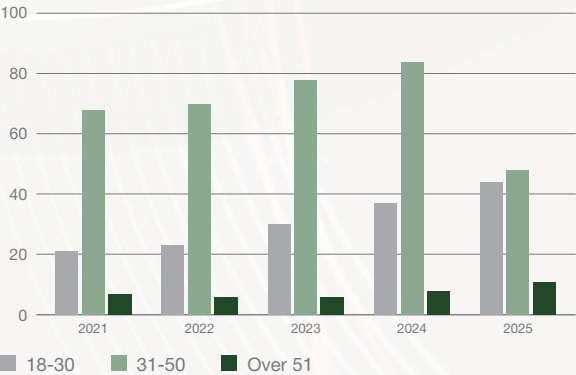
11.9 INVESTING IN OUR PEOPLE

The expertise and commitment of our people are the driving forces behind the strength, resilience, and growth of our Company. In recognition of our efforts to cultivate an exceptional workplace environment, Saudi Re was honored with the Great Place to Work certification in 2025.

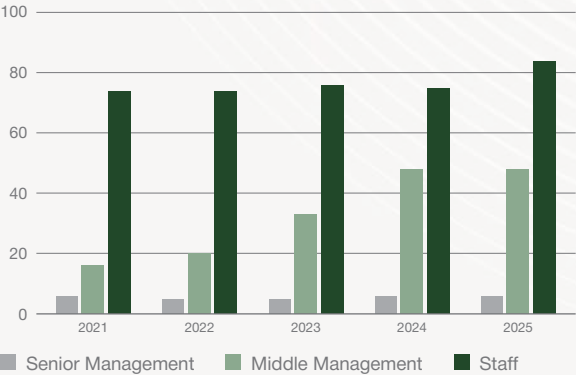
138

Total Number of Employees
(Full time) 2025

Age Analysis of Employees
(Nos.)



Employees by Employment
(Nos.)



Saudization

GRI 404-2

At Saudi Re, we remain deeply committed to building local capacity and supporting nationalization goals. In 2025, we maintained an overall Saudization rate of 80%, with Saudi nationals also accounting for 80% of new recruits. Notably, Saudi nationals constitute 92% of our Senior Management, reflecting our continued success in developing local leadership and aligning with the objectives of Saudi Vision 2030.

Training and Development

GRI 404-2 | 3

₹ 1,000,000

invested in training and development 2025

2,800 hours

of training provided

7

average training man-days per employee

Saudi Re's training and development policy is designed to cultivate a high-caliber workforce by continuously enhancing professional competencies. Guided by the Saudi Re's Development Program (SRDP), training requirements are identified through annual performance appraisals, succession planning, and competency gap analyses. This structured approach ensures our team remains agile and adaptable to evolving technological and regulatory landscapes, aligning individual growth with the Company's long-term strategic goals. Reflecting this commitment, 100% of employees received regular performance and career development reviews in 2025.

The Saudi Re Development Program (SRDP) includes:

- Job Rotations and On-Job Training: Exposing employees, particularly juniors, to diverse departments to foster a holistic understanding of our functions.
- In-House Workshops: Leveraging the expertise of senior staff and external specialists for knowledge sharing.
- Scholarship Programs: Financial assistance for eligible employees to attain role-relevant certifications and degrees.
- Soft Skills and Technical Training: Advancing essential personal attributes and specialized education in reinsurance, risk management, and finance, with support also provided for English language courses and professional memberships.

Diversity and Inclusion

GRI 406-1

Employees by Gender
(Nos.)



36%

Female employees in 2025

Saudi Re is steadfast in its commitment to maintaining a fair, diverse, and inclusive workplace. Our workforce, comprising more than ten nationalities, is protected by a comprehensive governance framework, including our Code of Conduct, Whistleblowing Policy, and a structured grievance-handling mechanism. To ensure a transparent culture, our whistleblowing policy is accessible to all via the internal portal and is formally shared with every new recruit during onboarding. These are supported by foundational policies such as the Model Work Organization Regulation and Physical Security procedures. During the 2025 reporting period, zero cases of harassment and discrimination were reported.

In 2025, our workforce diversity initiatives resulted in females comprising 29% of our total employees, with 30 female staff members contributing to our operations. We continue to focus on recruiting diverse talent, with females accounting for 12 of our new recruits in 2025.

Employee Engagement

To strengthen employee engagement and morale, Saudi Re conducted a number of activities throughout 2025. Main events, including Family Day, the Annual Gathering, and the Saudi Re Ladies’ Outing, were instrumental in strengthening team cohesion. Furthermore, our collaboration with charitable organizations for CSR activities allowed our team to align with meaningful social causes, driving internal motivation and community impact.

To support professional development, the Company provided coaching sessions and job rotation opportunities, enabling employees to expand their skill sets across different functions. We continued to recognize high performance through formal internal announcements, fostering a merit-based culture.

Employee well-being remained a priority through the WalaPlus Program, which offers staff and their families exclusive discounts and financial services. We also maintained full observance of all statutory and religious holidays, including Ramadan, with appropriate provisions for our staff. To ensure continuous improvement, Saudi Re regularly monitors satisfaction levels through periodic employee engagement surveys.

Health and Well-Being

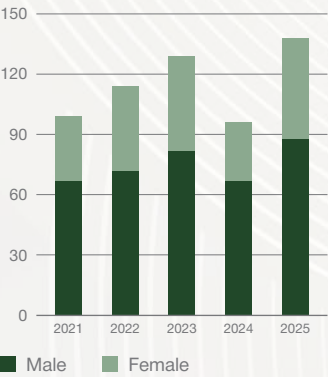
Saudi Re offers comprehensive medical insurance to all employees and their eligible family members. Throughout the year, we promoted health through:

- Discounts on gym memberships and healthy food options through the WalaPlus Program.
- Regularly circulating communications covering general health, breast cancer awareness, flu prevention, and other well-being topics.
- Annual flu vaccination campaigns organized at our Head Office for employee convenience.

Recruitment and Turnover

GRI 401-1 | 405-1

Recruitment by Gender (Nos.)



	2025	2024
Total recruitments	38	29
Percentage of Saudi nationals amongst new recruits (%)	80	83

	2025	2024	2023	2022	2021
Total number of employees who left the Company (Nos.)	16	11	24	20	5
Turnover rate (%)	14	8	16	16	5
Average tenure (years)	5	5	5	5	5

Future Focus

Looking ahead, Saudi Re will continue to focus on attracting, developing, and retaining skilled talent that aligns with our strategic objectives. Key priorities for the coming year include strengthening national talent, ensuring robust leadership succession, enhancing employee capabilities, and fostering a high-performance, inclusive workplace to support long-term sustainable growth.

11.10 ENVIRONMENTAL STEWARDSHIP

While Saudi Re’s direct environmental footprint is inherently limited by our business model, we remain resolute in our commitment to ecological stewardship and global climate action. Our strategy is closely aligned with Saudi Vision 2030, focusing on the integration of ESG principles to achieve carbon neutrality, advance renewable energy investments, and promote circular economy practices.

This road map is supported by strategic collaborations and the adoption of innovative technologies, complemented by a strong emphasis on employee engagement and environmental awareness. We prioritize transparency through the continuous monitoring and rigorous reporting of our progress toward long-term sustainability objectives.

We employ a forward-thinking approach to our physical infrastructure, continuously implementing innovative strategies to enhance resource efficiency:

- **Energy management:** We have modernized our facilities with energy-efficient hardware and automated systems, including motion-activated lighting and high-efficiency electronic equipment, to reduce overall power consumption.

- **Water efficiency:** To minimize waste, we have installed water-conserving devices, such as faucet aerators, across our offices.
- **Digital transformation:** We continue to reduce paper consumption by digitizing approval workflows and mandating the use of electronic signatures across our business functions.
- **Responsible e-waste management:** We partner with non-profit organizations to refurbish and distribute decommissioned electronics to charitable institutions, providing technology to educational and social welfare organizations.
- **“Recycle for a good cause”:** This initiative empowers employees to donate recyclables, repurposing waste as a fundraising tool for charitable causes.
- **Material recycling:** We maintain rigorous paper recycling practices, which contribute directly to the reduction of our Greenhouse Gas (GHG) emissions.



	2025	2024	2023	2022	2021
GRI 305-1 Direct GHG emissions (tCO ₂ e) – Scope 1	395	392	384	389	387
GRI 305-4 GHG emission intensity (GHG emissions (tCO ₂ e) per employee)	3.79	4.22	4.20	3.92	4.03
Direct energy consumption (operations + vehicles) (GJ)	23.08	23.02	22.94	22.69	22.86
GRI 303 Water intensity Total water consumption (m ³) per employee	21.60	20.28	19.58	20.0	11.10
GRI 306-4 Total paper recycled (kg)	10	10	10	10	4
GRI 306-3 Total waste generated (kg)	1,750	1,650	1,455	1,170	900
GRI 301 Total paper consumption (kg)	360	345	391	381	270
GRI 306-4 Total waste recycled (kg)	677	655	640	632	315

CORPORATE GOVERNANCE

70
Governance

108
Risk Management

12. GOVERNANCE

Saudi Re's governance structure provides a framework which includes the policies, rules, and standards that guide the Company's activities, and ensures 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, Executive Management, and the shareholders. Saudi Re's policies are aligned with regulations issued by the Insurance Authority and the Capital Market Authority (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 Executive Management.

12.1 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 (but not limited to) the following:

- Laws and regulations issued by the Insurance Authority, including the Corporate Governance Regulations.
- Laws and regulations issued by the Capital Market Authority (CMA).
- 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.
- Company Law issued by the Ministry of Commerce.

12.2 PROVISIONS IMPLEMENTED AND PROVISIONS NOT IMPLEMENTED

The Company has committed to implementing all the articles of the corporate governance regulations issued by CMA during the year 2025, 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.

12.3 BOARD OF DIRECTORS

The Company's Board of Directors was appointed by the Ordinary General Assembly for a period of three years, commencing on 11 May 2023 and ending on 10 May 2026, and consists of 11 members.

12.4 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.
- Chief Operating Officer at Al Fozan Holding Company.
- Member of the Board of Directors of United International Holding Company.
- Member of the Board of Directors of Alpha Capital.
- Founder and Managing Director of Ascend Advanced Healthcare Solutions.
- Board Member at Al Fozan Holding Company.
- Board Member at Tas’heel Finance.
- Board Member at United Company for Home Appliances.
- 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 Holding (Bermuda).
- Credit Analyst and then Corporate Relations Manager at 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 roles and memberships:

- Vice Chairman, Member of the Executive Committee, and Chairman of the Nomination and Remuneration Committee.
- Managing Director Alkhadamat Alarabiya Company – Alkhadamat (Closed Joint Stock).
- Board Member Alkhadamat Alarabiya Company – Alkhadamat (Closed Joint Stock).
- Board Member Almashroobat wa altaabeya – Tania Water (Closed Joint Stock).
- Board Member of Rasan Information Technology Company “Rasan”.
- Member of the Executive Committee of Rasan Information Technology “Rasan”.
- Member of the Investment Committee of Rasan Information Technology “Rasan”.
- Board Member Lightweight Construction - SIPOREX (Closed Joint Stock).
- Executive Committee Member Lightweight Construction – SIPOREX (Closed Joint Stock).
- Board Member – Alpha Capital Saudi Real Estate Development Fund 3.
- Board Member – Alpha Capital Saudi Real Estate Development Fund 4.

- Board Member – Alpha Capital Saudi Real Estate Development Fund 5.
- Board Member – Alpha Capital Saudi Real Estate Development Fund 6.
- Board Member – Alpha Capital Saudi Real Estate Development Fund 7.
- Board Member – Alpha Capital Freestyle GCC Equity Fund.
- 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 roles and memberships:

- Member of the Technical Committee at Saudi Re.
- Managing Partner at Abdul Latif Jameel Insurance Brokers.
- CEO of StarCare Insurance Brokers.
- 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.



Eng. Hussam Al-Suwailem
Independent Director

Current positions:

- Board Member and 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 (2014-2016).

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:

- Board Member, and Member of the Investment Committee, and the Nomination 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:

- Board Member and Member of the Nomination and Remuneration Committee.
- CEO of Dhahran International Exhibitions Company.
- Member of the Executive, NRC, and Audit Committee, Retal Urban Development Company.
- Chairman of the Board member of Tadbeir Limited Company.
- Chairman of the Board member of Tadbeir Environmental.
- Board member of Building Construction Company.
- Board Member of Nesaj Residential Complex Company.
- Chairman of Board Member of Creative Experiences Company.
- Board member of Ritz Carlton residences Investment fund Alkhobar.
- Founder Partner of Hajiz Investment Company.
- Founder Partner of Construction Projects Holding Company.
- Founder Partner Esteva Alturba Company.

Previous positions:

- Board Member of Retal Urban Development Company.
- Member of the Executive, NRC, and Audit Committee, Retal Urban Development Company.
- Executive Vice President for Financial Affairs GASCO, National Gas and Industrialization Company.
- Secretary General Assistant Ashargia Chamber.
- Finance, Budgeting, and Reporting Section Head, Advanced Petrochemical Company.
- Senior Accountant – Saudi Electricity Company.
- Board member of NABA ALSAHA Company.

Qualifications:

- Master of Business Administration (MBA) Management University College of Bahrain.
- Bachelor's degree Accounting King Saud University College of Business Administration.

Experience:

- More than 25 years of experience in the energy, petrochemical, and services sectors in private and semi-governmental companies and civil society institutions.



Mr Abdulaziz Al-Bassam
Non-Executive Director

Current positions:

- Board Member and Chairman of the Investment Committee.
- Chief Executive Officer and Chief Investment Officer of Aljomaih Holding Company.
- Board Member of Alujain.
- Board Member of Aljomaih Energy & Water.
- Board Member of Bank Albilad and Member of the Nomination and Remuneration Committee.
- Board Member of Sulaiman Al Rajhi Holding and Chairman of the Investment Committee.
- Board Member of GFH Financial Group.
- Board Member of Al-Darah Real Estate Development.
- Board Member of Shell Aljomaih
- Board Member of Manafea Al-Muhammadiyah Company.
- Board Member of Khibrah Al-Aamal Company.
- Advanced Circular Materials Company.

Previous positions:

- Co-founder of the startup Urbanheel – United States of America.
- Board Member at Al-Awwal Investment.
- Board Member at Itqan Capital.
- Board Member at AlArabi Financial.
- Co-founder and Chief Executive Officer of Oasis Capital – United States of America.
- 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 finance, investment.



Mrs Kubra G Radhi

Independent Member

Current positions:

- Board Member, Member of the Audit Committee, and Chairperson of the Risk Management Committee.
- Board Member at Proco Financial Services (Bahrain), and Member of the Audit Committee.
- Board Member at United Financial Services Company – Tasheel Finance, and Chairperson of the Risk and Credit Management Committee.
- Board Member at United International Holding Company, and Member of the Audit Committee.
- Partner at Milestone Accounting & Consulting.

Previous positions:

- Senior Executive Director and Head of Risk Management at First Energy Bank.
- Senior Vice President and Head of Credit Risk Management at 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 33 years of experience in risk management and finance.



Mr Waleed Al-Monie

Independent Director

Current positions:

- Board Member, and 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 Technology Management 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 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 and Member of the Executive Committee.
- Unit Head in Middle East and North Africa Investments Division at the Public Investment Fund.
- Member of the Board of Directors and Member of the Audit Committee at Yanbu Cement.
- Member of the Board of Directors and Member of the Executive Committee at D360 Bank.
- Member of the Investment Committee at the Saudi Technology Development and Investment Company.
- Member of the Nomination and Remuneration Committee at ALAT Technologies.

Previous positions:

- Member of the Investment Committee at Saudi Tadawul Group.
- Senior Vice President in the Middle East and North Africa Investments Division at the Public Investment Fund.
- Head of Investments in Abdulatif Jameel Investments.
- Vice President in the Investment Banking Department at Saudi Fransi Capital.

Qualifications:

- 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 concentration in Finance and Insurance from Northwestern University in the United States.

Experience:

- Mr Fahad has extensive experience in investment management, corporate governance, and investment banking. He currently serves as a Unit Head in the MENA Investments Division at the Public Investment Fund and holds several board and committee memberships. He previously held senior roles at the Public Investment Fund, Abdul Latif Jameel Investments, and Saudi Fransi Capital. He holds a master's degrees in Business Administration and International Securities, Investment and Banking, and a bachelor's degree in Finance and Insurance.



Mr Mohammed Bin Turki Al Sudairy

Non-Executive Member

Current positions:

- Member of the Board of Directors.
- Acting Chief Executive Officer of King Abdullah Financial District Development Company.
- Head of Portfolio Management. Local Real Estate Investment Division at the Public Investment Fund.
- Various Board and Committees memberships:

Board Member of King Abdullah Financial District Development Company, and member of its Executive Committee. Board Member at Riyadh Expo 2030 Company, Saudi Tabreed, and SEVEN Company. New Murabba Development Company's NRC Chairman, and Executive Committee member. Member of Diriyah Company's NRC and Executive Committee.

Previous positions:

- Investment and Project Financing Manager at Amlak International Real Estate Development Company.
- Associate, Corporate Finance at KPMG.
- Assistant Manager, Investment Banking at Samba Capital.

Qualifications:

- Master's degree in business administration from Oxford Brookes University in the United Kingdom.
- Bachelor of Science in finance from King Fahd University of Petroleum and Minerals.

Experiences:

- 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 at KPMG and Samba Capital.



Mr Christoph Thomas Fischer Hirs*
Independent Member

Current positions:

- Board Member and Chairman of the Technical Committee.
- Board Member of Hotelcard AG, in Switzerland.
- Board Member of SIL Löwenberg, in Switzerland.
- External Senior Advisor, Re/Insurance, Insurance Linked Markets at Bain & Company, global.

Previous positions:

- Chairman of Cyber Re Ltd.
- CEO Allianz Global Corporate and Specialty (AGCS).

Qualifications:

- Swiss Federal Degree in Business Administration and a Swiss Federal Degree in Banking, Finance and Economics from KV Business School Zurich.

Experience:

- Mr Christoph has (40) years of experience in the global financial services including insurance, reinsurance and risk transfer fields as well as banking.

**Mr Christoph was appointed as a member of the Board of Directors on 15 January 2025.*

12.5 COMMITTEE MEMBERS FROM OUTSIDE THE BOARD OF DIRECTORS

Name	Current Positions	Previous Positions	Qualifications	Experience
Mr Abdullah Al Farraj External Chairman of the Audit Committee 	• Founder and Partner, Abdullah Ali Alfarraj Certified Public Accountant.	• 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 – Saudi 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).	• 30+ years of experience in reinsurance, insurance, auditing, and financial management.
Mr Yanal Soudi External member of Audit Committee 	• Member of the Board of Directors, Chairman, and member of the Audit Committee of several companies.	• Served as Partner in the Assurance Practice of Ernst & Young.	• Bachelor of Arts in Business Administration – Oklahoma State University, USA. • Certified Public Accountant (CPA) – USA.	• Member of the Board of Directors, Chairman, and member of the Audit Committee of several companies.
Tariq Zaino External member of Audit Committee 	• Certified Public Accountant and partner in Zaino & AlDeraan CA.	• ZATCA Zakat, Tax and Customs Authority Large Tax Payers, 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.

Name	Current Positions	Previous Positions	Qualifications	Experience
Dr Peter Hugger 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.
Bader Al Shaya External member of Technical Committee 	Co-founder and Chairman of Diamond Insurance Broker.	- Chairman of Insurance & Reinsurance Brokerage Firms' Executive – Insurance Authority (IA). - 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 of experience in insurance and reinsurance, product development and sales – mainly in Saudi Arabia.
Mo'men Mukhtar 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.

Name	Current Positions	Previous Positions	Qualifications	Experience
Jean-Luc Gourgeon* 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, 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.
Abdulelah Al Tayeb** External member of Risk Management Committee 	Chief Governance and Risk Officer (CGRO) at King Abdullah Financial District (KAFD).	- Vice President of Governance and Risk – VP of Cybersecurity and Data Governance at King Abdullah Financial District (KAFD). - Director General of Cybersecurity and Business Continuity at the Ministry of Education. - Director of Operational and Technical Risk Management at Al Rajhi Bank. - Executive Director of Internal Audit at Al Rajhi Bank.	- Bachelor's in Information Technology and Computing – Arab Open University. - Master's in Computer Technology and Systems Management – Asharq Colleges. - Executive MBA (EMBA) – King Saud University.	Over 20 years of experience across government, telecommunications, and financial and banking sectors, leading enterprise risk management strategies, cybersecurity risk, and business continuity initiatives.

* His status as an external member of the Board ended on 21 October 2025.

** His status as an external member of the Board started on 20 May 2025.

12.6 EXECUTIVE MANAGEMENT



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 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 Isa 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.



Mr Ammar Al-Sahan

Chief Strategy Officer

Mr Ammar Al-Sahn is the Chief Strategy Officer at Saudi Re and has over 21 years of experience in strategy and insurance, with deep experience in strategy formulation and implementation, performance management, digital transformation, and data analysis.

Mr Ammar has held senior executive positions (C-level) for more than a decade, during which he led transformational initiatives aimed at aligning organizational goals with long-term sustainable value creation.

Mr Ammar holds a Bachelor's degree in Operations Research from King Saud University and has completed advanced executive programs in strategy and finance from Harvard Business School and Oxford Business School.

12.7 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	Aabra	Limited Liability Company
		Ajdan Real Estate Development Company	Sole Proprietorship
		Al Fozan Holding Company	Closed Joint Stock Company
		Al Mahaba Investment Company	Limited Liability Company
		Alpha Capital	Closed Joint Company
		Arcapita Group Holdings	Holding Company
		Ascend Advanced Healthcare Solutions Company	Sole Proprietorship
		Athman Medical Care Holding Company	Sole Proprietorship
		Averos Financial	Limited Liability Company
		Board Member of Probitas Holding (Bermuda) (Previously)	Closed Joint Stock Company
		Digital Information Company	Limited Liability Company
		Ejadah Solutions For Professional Management	Limited Liability Company
		Health Partners	Limited Liability Company
		Madar Al Aseel Company	Limited Liability Company
		Midad limited Company	Limited Liability Company
		Namaya Investment Company	Limited Liability Company
		Nasaj Complex Company (Retal Residential)	Limited Liability Company
		National Glass Industries Company (Previously)	Joint Stock Company
		Nephro Care Saudi Medical Company	Limited Liability Company
		Nutrition Vision Company	Limited Liability Company
		Rafah Al Khaleej Limited	Limited Liability Company
		Retal Urban Development	Joint Stock Company
		Rushd Financial Company	Limited Liability Company
		Saudi Industrial Machinery Company	Limited Liability Company
		Tadbeer Environmental Services Company	Limited Liability Company
		Tadbeer Environmental Services Company	Limited Liability Company
		The First Real Estate Development Holding Company	Closed Joint Stock Company
		United Electronics Company (Extra)	Joint Stock Company
		United Financial Services Company "Tasheel"	Closed Joint-Stock Company
		United Homeware Company	Limited Liability Company
		United Household Supplies Company	Limited Liability Company
		United International Holding Company	Joint Stock Company
		Vision Nutrition limited	Limited Liability Company

Name	Term	Other joint stock companies of which the Directors are Board Members	Type
Mr Turki Al-Sudairy Vice Chairman of the Board	Period from 11 May 2023 to 10 May 2026	Rasan Information Technology Company	Public Listed Company
		Sumood Althanya for Real Estate and Investment Company	Closed Joint Stock
		Lightweight Construction – SIPOREX	Closed Joint Stock
Eng. Hussam Al-Suwailem Independent Member	Period from 11 May 2023 to 10 May 2026	–	–
Mr Abdulrahman Al-Jalal Independent Member	Period from 11 May 2023 to 10 May 2026	Building Construction Company	Limited Liability Company
		Tadbeer Limited	Limited Liability Company
		Tadbeer Environmental Services Company	Limited Liability Company
		Nassaj Residential Complex Company	Limited Liability Company
		Creative Experiences Company	Limited Liability Company
		Ritz Carlton residences Investment fund Alkhobar	Private real estate fund licensed by CMA
Mr Waleed Al-Monie Independent Member	Period from 11 May 2023 to 10 May 2026	–	–
Mrs Kubra G Radhi Independent Member	Period from 11 May 2023 to 10 May 2026	United Financial Services Company – Tasheel Financing (Saudi Arabia)	Closed Joint Stock Company
		United International Holding Company (Saudi Arabia)	Listed Joint Stock Company
Eng. Abdulaziz Al-Shiekh Independent Member	Period from 11 May 2023 to 10 May 2026	Al Taif Pharmaceuticals Company	Closed Joint Stock Company
		Ayan Investment Company	Closed Joint Stock Company
		Tal Debt-Based Crowdfunding Company	Closed Joint Stock Company
Mr Abdulaziz Al-Bassam Non-Executive Member	Period from 11 May 2023 to 10 May 2026	AlArabi Capital	Listed Joint Stock Company
		Itqan Capital	Closed Joint Stock Company
		Bank Albilad	Listed Joint Stock Company
		Aljomaih Energy & Water Company	Listed Joint Stock Company
		Alujain Company	Listed Joint Stock Company
		GFH Financial Group	Public Joint Stock Company
		Aljomaih Shell Lubricating Oil Company Ltd.	Limited Liability Company
		Al-Darah Real Estate Development	Limited Liability Company
		Sulaiman Al Rajhi Holding Company	Holding Company
		Khibrah Al-Aamal Company	Limited Liability Company
		Ataa Al-Muhammadiyah Company	Limited Liability Company
		Manafea Al-Muhammadiyah Company	Closed Joint Stock Company
		Oasis Capital Company	Limited Liability Company
		Urbanheel (Startup) – United States of America (Formerly)	Limited Liability Company
		Alawwal Capital (Formerly)	Listed Joint Stock Company

Name	Term	Other joint stock companies of which the Directors are Board Members	Type
Mr Fahad Al Jomaih Non-Executive Member	Period from 25 December 2024 to 10 May 2026	Yanbu Cement	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 Mohammed Bin Turki Al Sudairy Non-Executive Member	Period from 25 December 2024 to 10 May 2026	Saudi Tabreed	Closed Joint Stock Company
Mr Christoph Thomas Fischer Hirs Independent Member	Period from 15 January 2025 to 10 May 2026	Hotelcard AG	Private joint-stock
		SIL Löwenberg	Limited liability

12.8 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.

12.9 RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The important functions of the Board are as follows:

- 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, and asset acquisitions and disposals.
 - Setting performance targets, and monitoring execution and overall performance in the Company.

- Periodically reviewing and approving the Company's organizational and functional structures.
 - Ensuring the availability of 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, and 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 by 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.

4. Creating the values and standards that govern business in the Company.
5. Creating and monitoring a risk management system in the Company to assess and continuously manage risks.
6. 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 it to continue work with the required skills.
7. Overseeing Executive Management and monitoring the Company's performance against the performance targets set by the Board.
8. Overseeing management of the Company's finances, its cash flows, and its financial and credit relationships with others.
9. Ensuring the protection of shareholder interests at all times.
10. Creating effective communication channels to keep shareholders continuously and periodically informed of the Company's various activities and any material developments.
11. Submitting suggestions to the Extraordinary General Assembly regarding the following:
 - Increasing or decreasing the Company's capital.
 - Dissolving the Company prior to the term stipulated in its memorandum of association or deciding its continuity.
12. 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.
13. 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.
14. Ensuring the soundness and effectiveness of the reporting and financial statement submission system and the disclosure mechanism.
15. Ensuring the accuracy and integrity of the data and information that must be disclosed according to applied disclosure and transparency policies.
16. Enhancing the Company's governance level and standards, and ensuring compliance with relevant laws and regulations at all times.
17. 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.
18. The Board must grant the Audit Committee sufficient powers to verify any matters within its mandate, and 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.
19. Creating clear written policies and procedures to regulate the activities of the Board.
20. Preparing clear and specific policies, standards, and procedures for Board membership upon ratification by the General Assembly.
21. Creating a written policy to regulate relationships with stakeholders.
22. 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.
23. Prepare the Company's preliminary and annual financial statements and approve them prior to publication.
24. Prepare the Board Report and approve it prior to publication.
25. 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	First meeting 14/04/2025	Second meeting 25/05/2025	Third meeting 12/08/2025	Fourth meeting 19/11/2025	Fifth meeting 17/12/2025	Total meetings
Mr Abdullatif Al-Fouzan	Chairman of the Board	✓	✓	✓	✓	✓	5
Mr Turki Al-Sudairy	Vice Chairman	✓	✓	✓	✓	✓	5
Mr Abdulaziz Al-Bassam	Managing Director	✓	✓	✓	✓	✓	5
Eng Abdulaziz Al-Shiekh	Member	✓	✓	✓	✓	✓	5
Mr Abdulrahman Al-Jalal	Member	✓	✓	✓	✓	✓	5
Mr Christoph Thomas Fischer Hirs*	Member	✓	✓	✓	✓	✓	5
Mr Fahad Al-Jomaih	Member	✓	✓	✓	✓	✓	5
Eng Hussam Al-Suwailem	Member	✓	✓	✓	✓	✓	5
Mrs Kubra G Radhi	Member	✓	✓	✓	✓	✓	5
Mr Mohammed Al-Sudairy	Member	✓	✓	✓	✗	✓	4
Mr Waleed Al-Monie	Member	✓	✓	✓	✓	✓	5

* Mr Christoph Thomas Fischer Hirs membership in the committee started on 15/01/2025

Measures taken by the Board of Directors to inform its members of the suggestions, and observations of the Company and its performance

The Investor Relations Department of Saudi Re enumerates and analyzes the proposals and feedback received from the shareholders through communication channels or through the General Assembly meetings and presents its findings thereon to the Board of Directors.

12.10 POWERS AND RESPONSIBILITIES OF BOARD COMMITTEES

Executive Committee

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

1. 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.

2. Review the details of the Company's business strategy and present recommendations to the Board for its approval.
3. 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.
4. Support the CEO in managing specific requirements or tasks on a need basis.
5. Review coalitions, mergers, acquisitions, and other strategic agreements and provide recommendations regarding the same to the Board for approval.
6. 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.
7. The Executive Committee reports to the Board.

Executive Committee Meetings

Name	Position	First meeting 03/03/2025	Second meeting 24/04/2025	Third meeting 28/07/2025	Fourth meeting 07/10/2025	Fifth meeting 24/11/2025	Sixth meeting 10/12/2025	Total meetings
Mr Abdullatif Al-Fouzan	Chairman	✓	✓	✓	✓	✓	✓	6
Mr Turki Al-Sudairy	Member	✓	✓	✓	✓	✓	✓	6
Mr Abdulrahman Al-Jalal*	Member	✓	✕	-	-	-	-	1
Mr Fahad Al-Jomaih**	Member	-	-	✓	✓	✓	✓	4
Mr Jean Luc Gourgeon***	External Member	✓	✓	✓	✓	-	-	4
Mr Waleed Al-Monie	Member	✓	✓	✓	✓	✕	✓	5

* Mr Abdulrahman Al-Jalal's membership in the committee expired on 25/05/2025.
** Mr Fahad Al-Jomaih's membership in the committee started on 12/06/2025.
*** Mr Jean-Luc Gourgeon membership in the Committee expired on 21/10/2025.

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:

1. Oversee the Internal Audit Department in the Company to ensure the effective execution of its activities and duties set by the Board.
2. Review internal auditing procedures and prepare written reports regarding this review including presenting recommendations to the Board in that regard.
3. Review the audit plan presented by the internal and external auditors and provide feedback on the same.
4. Assess the efficiency, effectiveness, and objectivity of external auditors, Internal Audit Department or internal auditors, and Regulatory Monitoring Department or regulatory monitor.
5. Coordinate between internal and external auditors.
6. Review the assessment of internal and external auditors of internal control procedures.

7. Review transactions and operations with related parties.
8. Review, approve, and monitor implementation of the compliance plan.
9. Oversee the activities of external auditors and approve any activity outside the scope of the auditing tasks assigned to them while performing their duties.
10. Review the external auditor's recommendations concerning financial statements and follow-up procedures completed in that regard.
11. Verify the independence of external auditors from the Company, its Directors, and Executive Management.
12. Discuss interim annual and quarterly financial statements with external auditors and the Company's Executive Management prior to their issuance.
13. Review preliminary and annual financial statement prior to presentation to the Board and provide recommendations in that regard.
14. Review accounting policies adopted at present and advise the Board including providing recommendations in that regard.
15. Review financial and non-financial internal controls and the risk management system.

16. 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.

17. 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.

18. Assess the efficiency, effectiveness, and objectivity of external auditors, Internal Audit Department or the internal auditor and the Compliance Department or Compliance Officer.

19. Review the Regulatory Monitoring Department or Compliance Officer reports, internal and external auditing reports, and follow up implementation of corrective measures recommended and provide recommendations to the Board in that regard.

20. 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.

21. 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.

22. 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.

23. Review the actuarial expert reports and make recommendations to the Board in that regard.

24. 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.

25. 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.

26. 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.

27. Follow up important cases raised by or against the Company and present periodic reports in that regard to the Board.

28. Ensure optimal use and control of IT required to issue reliable and timely information and data.

29. The Committee has the authority to investigate any activities within its mandate and obtain any information it may require.

30. 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.

31. 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.

32. 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 10/03/2025	2nd meeting 18/03/2025	3rd meeting 05/05/2025	4th meeting 30/07/2025	5th meeting 17/08/2025	6th meeting 25/08/2025	7th meeting 27/10/2025	8th meeting 10/11/2025	9th meeting 18/12/2025	Total meetings
Mr Abdullah Al Farraj	External Chairman	✓	✓	✓	✓	✓	✕	✓	✓	✓	8
Mr Tariq Zaino	External Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Mr Yanal Soudi	External Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	9
Mrs Kubra G Radhi	Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	9

Investment Committee

The duties and responsibilities of the Committee are as follows:

1. Ensure that the Company’s investment policy is prepared according to the Company’s overall business strategy and regulatory limitations.

2. Obtain the Board’s approval on the investment policy.

3. Review and draft the investment policy quarterly, taking into consideration changes in business requirements and Market conditions.

4. Appoint and assess the performance of investment managers and funds.

5. Recommend the appointment and dismissal of the investment advisor to the Board.

6. Authorize a selected subcommittee or the management team to implement the decisions of the Investment Committee when needed.
7. 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.

8. The Executive Committee reports to the Board.

9. Review decisions made by the management team and investment advisor(s).

10. Submit reports to the Board regarding the Company’s investment performance in terms of risks, returns on investments, provisions and any key relevant developments.

11. 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 18/02/2025	2nd meeting 06/05/2025	3rd meeting 05/08/2025	4th meeting 21/10/2025	5th meeting 09/12/2025	Total meetings
Mr Abdulaziz Al-Bassam	Chairman	✓	✓	✓	✓	✓	5
Eng Abdulaziz Al-Sheikh	Member	✗	✗	✓	✓	✓	3
Eng Hussam Al-Suwailem	Member	✓	✓	✓	✓	✓	5
Mr Abdullatif Al-Fozan	Member	✓	✓	✗	✓	✓	4

Risk Management Committee

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

1. Reassess the Company's risk tolerance policy, parameters, and risk exposure regularly.
2. Reassess the Company's risk management policy. in line with the Company's responsibilities towards shareholders and compared to regulatory and supervisory requirements.
3. Oversee the implementation of the necessary measures to mitigate identified risk.
4. Understand and review risks associated with the Company's activities and business, and maintain the acceptable risk threshold of the Company.
5. Oversee the risk management system, assess its effectiveness, and ensure the availability of suitable infrastructure and resources.
6. Assess the effectiveness of the risk management unit.
7. Assess and analyze risk as per stress testing scenarios (such as reduced rating, capital, regulatory, and supervisory violations/penalties and the like).
8. The Risk Management Committee reports to the Board.
9. Review and assess the business continuity plan.
10. 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.
11. Ensure that the Company's cybersecurity risks are managed properly.
12. Periodic review of the impact of natural disasters on insurance portfolios.
13. Periodic review of maximum limits of insurance parameters.
14. Periodic review of the sufficiency of the Company's capital and solvency.
15. Periodic review of asset and liability management operations.
16. Review periodic reports issued by the Risk Management Unit, such as quarterly risk management reports.
17. 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).

Risk Management Meetings

Name	Position	1st meeting 05/03/2025	2nd meeting 16/03/2025	3rd meeting 08/04/2025	4th meeting 14/05/2025	5th meeting 10/08/2025	6th meeting 30/10/2025	7th meeting 15/12/2025	Total meetings
Mrs Kubra Ghulam Radhi	Chairman	✓	✓	✓	✓	✓	✓	✓	7
Dr Peter Hugger	External Member	✓	✓	✓	✓	✓	✓	✓	7
Abdulelah Al Tayeb *	Member	–	–	–	–	✓	✓	✓	3

* Mr Abdulelah Al-Tayeb's membership in the committee started on 20/05/2025

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 25/02/2025	2nd meeting 11/03/2025	3rd meeting 09/04/2025	4rd meeting 13/05/2025	5th meeting 22/05/2025	
Mr Jean-Luc Gourgeon*	Chairman up to 21/10/2025	✓	✓	✓	✓	✓	
Mr Badr Al-Shaya	Member	✓	✓	✓	✓	✓	
Mr Momen Mukhtar	Member	✓	✓	✓	✓	✓	
Mr Christoph Thomas Fischer Hirs**	Member from 20/5/2025 Chairman from 13/1/2026	✓*	✓*	✓*	✓*	✓	
Mr Turki Al-Sudairy***	Member up to 13/4/2025	✓	✓	✓	–	–	

* Mr Jean-Luc Gourgeon membership in the Committee expired on 21/10/2025.

** Mr Christoph Thomas Fischer Hirs** membership in the committee began on 20/05/2025.

*** Mr Turki Al-Sudairy membership in the Committee expired on 13/04/2025.

* Attended as Guest

Nomination and Remuneration Committee

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

1. 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.
2. Prepare a description for the capabilities and qualifications required for the Board and Board committee memberships, including the time a member should allocate to the Board and Board committee business.
3. Create procedures to be implemented in the event of a position on the Board or senior executive becoming vacant.
4. Review required skills suitable for Board membership at least annually and provide recommended solutions in line with the Company's best interests.
5. Create succession policies and procedures for the Board and its committee.
6. 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.
7. 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.
8. 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.
9. Ensure that an annual review is performed for Executive Management staff remunerations independently from Executive Management.
10. 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.
11. Provide final recommendations to the Board with regard to dismissal of members of Executive Management.
12. Create succession policies and procedures for the CEO and Senior Executive Management staff, and monitor the implementation of these succession plans and procedures.
13. Assess Director performance (Overall Board performance and the individual performance of Directors (and its committees periodically) at least annually).
14. Oversee the orientation and periodic training programme for Directors.
15. 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.

	6th meeting 16/06/2025	7th meeting 26/06/2025	8th meeting 09/07/2025	9th meeting 11/08/2025	10th meeting 01/10/2025	11th meeting 28/10/2025	12th meeting 29/10/2025	13th meeting 08/12/2025	Total meetings
	✓	✓	✓	✓	✓	–	–	–	10
	✓	✓	✓	✓	✓	✓	✓	✓	13
	✓	x	✓	✓	✓	✓	✓	✓	12
	✓	x	✓	✓	✓	✓	✓	✓	12
	–	–	–	–	–	–	–	–	3

Nomination and Remuneration Committee Meetings

Name	Position	1st meeting 26/02/2025	2nd meeting 18/03/2025	3rd meeting 21/05/2025	4th meeting 27/07/2025	5th meeting 19/10/2025	6th meeting 23/11/2025	Total meetings
Mr Abdulrahman Al-Jalal*	Chairman	✓	✓	✓	✓	✓	✓	6
Mr Turki Al-Sudairy**	Chairman	✗	✗	✓	✓	✓	✓	4
Mr Waleed Al-Monie	Member	✓	✓	✓	✓	✓	✓	6
Eng Abdulaziz Al-Sheikh	Member	✓	✓	✗	✓	✓	✓	5

* Effective 12/06/2025, Mr Abdulrahman Al-Jalal was appointed as a member of the Nomination and Remuneration Committee, following his tenure as Chairman of the Committee up to 11/06/2025.

** Mr Turki Al-Sudairy membership in the committee began as chairman on 12/06/2025

12.11 ATTENDANCE RECORD OF GENERAL ASSEMBLY MEETINGS DURING 2025

Name	Attendance Record	
	Ordinary General Assembly Meeting 14/11/1446-12/05/2025	Extraordinary General Assembly Meeting 17/04/1447-09/10/2025
Mr Abdullatif Al-Fozan	✓	✓
Mr Turki Al-Sudairy	✓	✓
Mr Fahad Al Jomaih	✓	✓
Eng Hussam Al-Suwailem	✓	✓
Mr Mohammed Al-Sudairy	✓	✗
Mrs Kubra G Radhi	✓	✓
Eng Abdulaziz Al-Sheikh	✓	✓
Mr Abdulrahman Al-Jalal	✓	✓
Mr Walid Al-Monie	✓	✓
Mr Abdulaziz Al-Bassam	✓	✓
Mr Christoph Thomas Fischer Hirs	✓	✓

12.12 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 of 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
Fixed Remunerations			
Salaries and benefits	–	–	8,236
Annual compensation	–	2,292	5,399
Meeting fees and expenses	–	2,206	–
Consultancy fees	–	–	–
Benefits in kind granted monthly or yearly	–	–	–
Total	–	4,498	13,635
Variable Remunerations			
Long-Term Incentive Program	–	–	9,027
Total	–	–	9,027

Disclose details of treasury shares maintained by the Company, and details of utilizing such shares

Number of treasury shares maintained by the Company	Value	Maintenance date	Utilization details
2,500,000	25,000,000	12/10/2025	Long-term employee incentive program

BOD Member name	Position	BOD meetings ﷲ	EXCOM meetings ﷲ	INVST COM meetings ﷲ	TC COM meetings ﷲ	
Mr Abdulatif Al-Fozan	Chairman	25,000	30,000	20,000	–	
Mr Turki Al-Sudairy	Vice Chairman	25,000	30,000	–	15,000	
Mr Waleed Almonie	Member	25,000	25,000	–	–	
Mrs Kubra G Radhi	Member	25,000	–	–	–	
Mr Abdulaziz Alsheikh	Member	25,000	–	15,000	–	
Mr Abdulaziz Albassam	Member	25,000	–	25,000	–	
Mr Hussam Al-Suwailem	Member	25,000	–	25,000	–	
Mr Abdulrahman Al-Jalal	Member	25,000	5,000	–	–	
Mr Fahad Al Jomaih	Member	25,000	20,000	–	–	
Mr Mohammed Al Sudairy	Member	20,000	–	–	–	
Mr Christoph Thomas Fischer Hirs	Member from 15/01/2025	25,000	–	–	60,000	
Total		270,000	110,000	85,000	75,000	

BOD Member name	Position	EXCOM meetings ﷲ	INVST COM meetings ﷲ	TC COM meetings ﷲ	Audit COM meetings ﷲ	
Mr Jean-Luc Gourgeon-TC	Chairman up to 21/10/2025	–	–	50,000	–	
Mr Jean-Luc Gourgeon-EC	Member up to 21/10/2025	20,000	–	–	–	
Mr Abdullah Al-Farraj	Chairman	–	–	–	40,000	
Mr Tariq Zaino	Member	–	–	–	45,000	
Mr Yanal Soudi	Member	–	–	–	45,000	
Mr Momen Mukhtar	Member	–	–	60,000	–	
Mr Badr Al-Shaya	Member	–	–	65,000	–	
Mr Abulallah AlTayeb	Member from 20/5/2025	–	–	–	–	
Dr Peter Hugger	Member	–	–	–	–	
Total		20,000	–	175,000	130,000	



	Audit COM meetings ₹	RMC meetings ₹	N&R COM meetings ₹	Total Meetings Fees ₹	Remuneration (As per approved policy) ₹	BOD Remuneration ₹	Total amount ₹
	–	–	–	75,000	300,000	300,000	375,000
	–	–	20,000	85,000	200,000	200,000	285,000
	–	–	30,000	80,000	200,000	200,000	280,000
	45,000	35,000	–	105,000	200,000	200,000	305,000
	–	–	25,000	65,000	200,000	200,000	265,000
	–	–	–	50,000	200,000	200,000	250,000
	–	–	–	50,000	200,000	200,000	250,000
	–	–	30,000	60,000	200,000	200,000	260,000
	–	–	–	45,000	200,000	200,000	245,000
	–	–	–	20,000	200,000	200,000	220,000
	–	–	–	65,000	200,000	192,329	257,329
	45,000	35,000	105,000	700,000	2,300,000	2,292,329	2,992,329

	RMC meetings ₹	N&R COM meetings ₹	Total meetings fees ₹	Remuneration (As per approved policy) ₹	BOD remuneration ₹	Total amount ₹
	–	–	45,000	120,000	96,658	141,658
	–	–	20,000	100,000	80,548	100,548
	–	–	40,000	120,000	120,000	160,000
	–	–	45,000	100,000	100,000	145,000
	–	–	45,000	100,000	100,000	145,000
	–	–	55,000	100,000	100,000	155,000
	–	–	60,000	100,000	100,000	160,000
	15,000	–	15,000	100,000	61,918	76,918
	35,000	–	35,000	100,000	100,000	135,000
	50,000	–	360,000	940,000	859,123	1,219,123

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12.13 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	Partial non-compliance with the Business Continuity Management Regulatory Manual.	Insurance Authority	The Company has implemented a corrective plan for full compliance.	

Subject of the penalty	2025		2024	
	Number of resolutions	Sum total for the penalty in ٠٠٠	Number of resolutions	Sum total for the penalty in ٠٠٠
Violation of Insurance Authority supervisory and control instructions	1	40,500	1	100,000
Violation of Insurance Authority customer protection instructions	0	0	0	0
Violation of Insurance Authority instructions on AML and CFT	0	0	0	0

12.14 Board Resolutions

First: Strategic Resolutions

1. Approval of the strategic direction for international expansion, including the feasibility study for new branch in the Republic of India in GIFT City, and approval for its establishment.
2. Recommendation to increase the Company’s capital by Granting Bonus Shares issuance at a rate of 46.6%.

Second: Organizational and Governance Resolutions (Appointments and Changes)

1. Appointment of an Acting Board Secretary, Chairman of the Nomination and Remuneration Committee and changes in the membership of the Board Committees.
2. Extension of the appointment of the Appointed Actuary and appointment of the Strategy Director.

Third: Policy and Directing Resolutions

1. Approval of the updated Internal Audit Charter and Manual.
2. Recommendation of the Remuneration and Compensation Policy.

3. Approval of the Short-Term Incentive Policy.
4. Approval of the Local Content Policy.
5. Approval of the Risk Management Policy.
6. Renewal of the Board Succession Planning Policy.
7. Recommendation of the Corporate Governance Policy.
8. Approval of the Compliance Policy as approved by the Audit Committee.
9. Approval of the Whistleblowing Policy.

Fourth: Financial Results and Reporting Resolutions

1. Approval of the Annual Financial Report and the quarterly condensed Financial Statements.
2. Approval of the Internal Audit and Compliance Annual Reports.
3. Approval of the Board and Committee Remuneration.
4. Approval of the Risk Analysis Report.

Fifth: General and Operational Resolutions

1. Update of the list of countries where reinsurance business is not permitted.
2. Approval of the Underwriting Risk Appetite.
3. Approval of the General Assembly agenda, including the recommendation to appoint the external auditors for the Head Office.
4. Approval of the implementation of the Long-term Incentive Plan.
5. Approval of the business plan approved by the Executive Committee.
6. Approval of the Board Remuneration and Compensation Policy, in preparation for submission to the General Assembly.
7. Approval to open the nomination period of Board membership for the upcoming term (2026–2030).

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 Shareholder	Percentage of shares at the beginning of the year	Percentage of shares at the end of the year	Net change	Change ratio
Public Investment Fund*	23.077%	22.737%	(0.34%)	(1.47%)

Note: the change resulted from shareholders dilution from allocation of shares to the Employees Incentive Program.

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	0.50%	–	261,476	0.15%	–	(317,624)	(54.85%)
2.	Mr Turki Al-Sudairy (Vice Chairman)	283,635	0.25%	–	409,694	0.24%	–	126,056	44.44%
3.	Eng Hussam Al-Suwailem	–	–	–	–	–	–	–	–
4.	Mr Abdulrahman Al-Jalal	69,000	0.06%	–	99,666	0.6%	–	30,666	44.44%
5.	Mrs Kubra G Radhi	–	–	–	–	–	–	–	–
6.	Eng Abdulaziz Al-Shiekh	246,580	0.21%	–	356,171	0.21%	–	109,591	44.44%
7.	Mr Waleed Al-Monie	–	–	–	–	–	–	–	–
8.	Mr Abdulaziz Al-Bassam	–	–	–	–	–	–	–	–
9.	Mr Fahad Al Jomaih	–	–	–	–	–	–	–	–
10.	Mr Mohammed Al Sudairy	–	–	–	–	–	–	–	–
11.	Mr Christoph Hirs	–	–	–	–	–	–	–	–

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	436,000	0.038%	–	282,845	0.016%	–	(153,155)	(35.12%)
2.	Mr Fahad Al-Suwailem	8,132	0.007%	–	12,404	0.007%	–	4,272	52.53%
3.	Mrs Sara Al-Rabia	16,000	0.014%	–	23,111	0.014%	–	7,111	44.44%
4.	Mr Fawaz Al-Sudairy	150,830	0.13%	–	217,865	0.13%	–	67,035	44.44%
5.	Mr Salman Al-Sudairy	52,579	0.05%	–	105,444	0.06%	–	52,865	100.5%
6.	Mrs Halah Al-Isa	8,196	0.007%	–	11,838	0.007%	–	3,642	44.44%

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		
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.	Mr Ammar Al-Sahan	–	–	–	–	–	–	–	–

12.15 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 the Company and its affiliates
1.	Arqaam capital	56,797,019	Open ended with annual renewal	1,924,787	56,797,019	56,797,019

12.16 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.	02/01/2025	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.	04/02/2025	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.	07/04/2025	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.	05/05/2025	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.	11/05/2025	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 May 2025.
6.	01/06/2025	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.	02/07/2025	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.	04/08/2025	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.	05/09/2025	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.	01/10/2025	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.	05/10/2025	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 09 Oct 2025.
12.	02/11/2025	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.	01/12/2025	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.
14.	31/12/2025	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.

12.17 TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

Investment advisory contract signed with SAB Invest, in which Board Member Mr Abdulaziz Al-Bassam has a non-direct interest due to his membership on the Board of Directors of SAB Invest. The value of the contract is **ﷲ 793,473.55** this transaction without preferential terms.

Investment agreement in Alpha Murabaha Fund, in which the Chairman, Mr Abdullatif Al-Fozan, has a non-direct interest due to his membership on the Board of Directors of Alpha Capital. The Murabaha fund management fees amount to **ﷲ 385,785.20** this transaction without preferential terms.

#	Company name	Name of related party	Nature of transaction	Amount (in ﷲ millions)
1.	Saudi National Bank	Public Investment Fund "PIF"	Time deposits	349.34
			Special commission income from time deposits	21.25
			Tier 1 Sukuk	99.94
			Income from Tier 1 Sukuk	2.72
			Bank balances	1.49
2.	Riyad Bank	Public Investment Fund "PIF"	Tier 1 Sukuk	65.04
			Income from Tier 1 Sukuk	2.29
			Bank balances	0.01
3.	Gulf International Bank	Public Investment Fund "PIF"	Time deposits	171.28
			Special commission income from time deposits	8.99
			Bank balances	0.002
4.	Saudi Energy	Public Investment Fund "PIF"	Payments made for utilities	0.19
5.	Saudi Telecom Company	Public Investment Fund "PIF"	Payments made for utilities	0.02
			Debt securities	37.50
			Income from debt securities	1.46
6.	Elm Company	Public Investment Fund "PIF"	Payments	0.003
7.	Edaa Securities Depositary center Company	Public Investment Fund "PIF"	Payments	0.58
8.	Saudi Exchange	Public Investment Fund "PIF"	Payments	0.55
9.	Alpha Capital	"Board Chairman (Mr Abdullatif Al-Fozan)"	"Investment agreement in Alpha Murabaha Fund, in which the Chairman has a direct interest due to his membership on the Board of Directors of Alpha Capital"	0.386
10.	SAB Invest	"Board Member (Mr Abdulaziz Al-Bassam)"	"Investment advisory contract signed with SAB Invest, in which the Board Member has a direct interest due to his membership on the Board of Directors of SAB Invest"	0.793

Investments or reserves made for the benefit of employees and reservations of the External Auditor’s report:

The Extraordinary General Assembly on 17/04/1447H corresponding to 09/10/2025G approved the Employee Shares Program, with the allocation of (2,500,000) shares for the implementation of the Program, within the framework of enhancing long-term incentives, aligning the interests of the executive management and employees with the interests of shareholders, and supporting the achievement of the Company’s sustainable strategic objectives. The program is subject to specific eligibility conditions and performance criteria, and the Board of Directors is fully responsible for this policy, with the Nomination and Remuneration Committee being authorized to review and supervise its implementation, in order to ensure compliance with the relevant laws and regulations and the achievement of the approved objectives of the program.

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.

License renewal for three years:

The company obtained a license renewal in 2025 to conduct reinsurance business for a period of three years, issued by the Insurance Authority.

12.18 Declaration

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 2025, 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 2025.
- There are no convertible debt instruments, options, warrants, or similar rights issued by the Company during the financial year ending on 31 December 2025.

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.

13. 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 on operations, financial stability, reputation, and long-term success. By managing risks proactively, a company can prevent or minimize potential disruptions, optimize 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.

13.1 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 organization.

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 2025 identified current risks and emerging future risks, reflecting the evolving landscape in which Saudi Re operates.

13.2 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.

13.3 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 customized to align with both regional and global conditions, and employing retrocession protection.

13.4 ACCUMULATION RISK

Accumulation of exposure refers to the potential maximum loss the Company may incur at any single point in time due to the concentration of risks, whether arising from a single risk or multiple risks across lines of business or geographic areas. Underestimating this accumulation may result in losses exceeding expectations. The Company manages this risk through prudent contract design, such as applying event limits, and through regular monitoring of accumulated exposures to ensure that potential losses from any single event remain within the Company’s defined risk appetite and the protection provided by retrocession coverage.

13.5 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 emphasizes 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.

13.6 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.

13.7 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 analyzing claims development patterns over time, conducting detailed projections of ultimate claims, and performing stress tests on the ultimate reinsurance liability balances.

13.8 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 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.

13.9 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.

13.10 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 unfavorable 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.

13.11 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.

13.12 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 fulfil 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.

13.13 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.

13.14 LEGAL AND REGULATORY COMPLIANCE RISK

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.

13.15 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 credit ratings from reputable rating agencies reinforce its strong financial standing. The Company has received an Insurance Financial Strength Rating (IFSR) of (A2) on the international scale from Moody's, as well as a national-scale rating of (A1.sa), both with a stable outlook. The Company also holds a long-term credit rating and an insurance financial strength rating of (A-) from Standard & Poor's (S&P), in addition to a regional rating of (gcAAA) with a positive outlook. These ratings underscore the Company's financial resilience and its commitment to maintaining the confidence of its stakeholders.

13.16 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. 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.

13.17 BUSINESS CONTINUITY MANAGEMENT (BCM)

Business Continuity Management (BCM) is a proactive process that ensures critical business functions continue during and after disruptions by identifying potential threats, assessing their impact, and implementing response strategies to protect people, assets, and operations. It strengthens organizational resilience and minimizes downtime through key activities such as Business Impact Analysis (BIA) to prioritize critical processes, Disaster Recovery (DR) testing to confirm IT recovery capabilities, and maintaining alternative data centers to support timely recovery in line with defined Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO).

13.18 ESG RISK

Environmental, Social, and Governance (ESG) Risk refers to the potential negative impact on the Company's financial performance, operations, or reputation arising from environmental, social, and governance factors. These risks can affect underwriting and investment decisions, stakeholder confidence, and long-term sustainability, often evolving gradually and requiring ongoing monitoring and integration into strategic and risk management processes. To address this, the Company incorporates ESG considerations into decision-making through scenario analysis and robust governance frameworks that promote ethical conduct, accountability, and responsible operations.

13.19 GEOPOLITICAL RISK

Geopolitical Risk refers to the potential adverse impact on the Company arising from political instability, conflicts, sanctions, regulatory changes, or other geopolitical developments that may disrupt economic activity, trade relations, and financial markets in regions where the Company operates or has exposure. Such events can increase uncertainty across underwriting, investment, and reinsurance activities, affect market confidence, asset valuations, and counterparties' financial strength, and ultimately influence the Company's performance and strategic objectives. The Company mitigates these risks through prudent diversification of underwriting and investment portfolios, maintaining a restricted list of high-risk jurisdictions where business is not conducted, and explicitly excluding war and related hostilities from reinsurance contracts and insurance policy wordings. Continuous monitoring of global geopolitical and economic developments, supported by scenario analysis and stress testing, ensures emerging risks are identified in a timely manner and managed in line with the Company's risk appetite and strategic priorities.

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INDEPENDENT AUDITORS' REPORT



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To the Shareholders of
Saudi Reinsurance Company
(A Saudi Joint Stock Company)
Riyadh, Kingdom of Saudi Arabia

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Saudi Reinsurance Company** (the “Company”), which comprise the statement of financial position as at 31 December 2025, and the statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”) that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements that are 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 (“ISAs”) as 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) as endorsed in the Kingdom of Saudi Arabia (“the Code”), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the Code. 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 judgment, were of most significance in our audit of the financial statements for the current year. 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.

Key audit matter	How our audit addressed the key audit matter
Valuation of Reinsurance contract liabilities and Reinsurance contract assets Reinsurance contract liabilities and reinsurance contract assets are carried in the statement of financial position at ₦ 2,190 million and ₦ 120 million respectively. The Company measures reinsurance contracts issued using the general measurement model (GMM) as the total of the fulfillment cash flows, which comprise estimates of the present value of the future cash flows ("PVFCFs"), with a risk adjustment for non-financial risk; and the contractual service margin ("CSM"). The PVFCFs and the CSM amounted to ₦ 1,266 million and ₦ 750 million respectively at the reporting date. The determination of the PVFCFs and the CSM involves actuarial models. Its accuracy is dependent on the input data being correct and requires management to apply significant judgements, make significant estimates, for example loss ratios, claims development factors and discount rates etc. and use actuarial models. The risk of error arises as a result of the inappropriate choice of actuarial methodologies, techniques and assumptions. Management used an external actuary to assist them in the aforementioned determination. We considered the valuation of the PVFCFs and the CSM as a key audit matter due to the following: • significant judgments applied and estimates made by management; • the quantitative significance of the amounts to the financial statements; and • the level of audit effort required. <i>Refer to notes 3 and 4 for material accounting policy and significant accounting estimates and judgments adopted by the Company and note 7 for the details of reinsurance contract liabilities and reinsurance contract assets.</i>	Our audit procedures included, inter alia, the following: • Obtained an understanding of the process adopted by management to determine the PVFCFs and the CSM and identified the key controls in this process; • Assessed the abovementioned key controls to determine if they were appropriately designed and tested these controls to determine if they were operating effectively throughout the year; • Tested the data used in the process of valuation of the PVFCFs and the CSM, on a sample basis, by agreeing amounts to supporting documentation; • Tested samples of claims outstanding as at the year-end by comparing the amount of the claim to appropriate documentation, such as reports from loss adjusters, confirmations obtained from lawyers and reinsurance contracts; and • Evaluated the objectivity, skills, qualifications and competence of the independent external actuary and read the terms of the actuary's engagement with the Company to determine if the scope of his work was sufficient for audit purposes. In addition, with the assistance of our internal actuarial specialists, we: • Reviewed the report issued by the external actuary; • Evaluated the methodology applied to determine the PVFCFs and CSM; • Recalculated the CSM recognised for services provided for a sample of groups of contracts; • Assessed the appropriateness of key actuarial assumptions by independent recalculation of ultimate premiums and ultimate claims; • Reperformed the calculation of the present value of future cash flows on a sample basis and assessed the reasonableness of management's estimates; and • We assessed the disclosures relating to this matter in the financial statements against the requirements of IFRSs.

Other Matter

The financial statements of the Company for the year ended 31 December 2024 were jointly audited by another joint auditor who expressed an unmodified opinion on those statements on 20 March 2025, (corresponding to 20 Ramadan 1446H).

Other Information

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

Our opinion on the financial statements does not cover the other information and we 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.

When we read the other information, 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 IFRSs 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 Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

Deloitte and Touche & Co.
Chartered Accountants

P.O. Box 213
Riyadh 11411
Kingdom of Saudi Arabia



Waleed Bin Moh'd Sobahi

Certified Public Accountant
License No. 378

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, 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 year 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 of the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Dr. Mohamed Al-Amri & Co.

P.O. Box 8736
Riyadh 11492
Kingdom of Saudi Arabia



Gihad Al-Amri

Certified Public Accountant
License No. 362

15 Ramadan, 1447H
04 March, 2026



STATEMENT OF
FINANCIAL POSITION

As at 31 December 2025
(All amounts in Saudi Riyals (ﷻ) unless otherwise stated)

As at	Notes	31 December 2025 ﷻ	31 December 2024 ﷻ
Assets			
Cash and bank balances	5	94,714,884	73,464,920
Financial investments measured at fair value through income statement (FVIS)	6	682,978,985	94,824,666
Financial investments measured at fair value through other comprehensive income (FVOCI)	6	546,199,704	285,914,854
Financial investments measured at amortized cost	6	1,854,984,492	1,916,208,117
Reinsurance contract assets	7	120,273,487	92,128,480
Retrocession contract assets	7	907,624,519	627,927,506
Prepaid expenses, deposits and other assets	10	218,621,917	180,820,946
Property and equipment, net	8	29,448,083	29,553,225
Intangible assets, net	9	5,273,937	6,162,531
Statutory deposit	11	169,810,000	89,100,000
Accrued income on statutory deposit	11	6,784,707	22,314,278
Total assets		4,636,714,715	3,418,419,523
Liabilities			
Margin loan payable	12	56,797,019	56,797,019
Reinsurance contract liabilities	7	2,189,517,956	1,585,141,809
Retrocession contract liabilities	7	33,388,097	16,932,020
Accrued expenses and other liabilities	13	61,165,574	46,564,235
Provision for employees' end of service benefits	14	30,133,038	30,351,542
Provision for Zakat and tax	15	67,310,972	41,671,425
Accrued commission income payable to Insurance Authority	11	6,784,707	29,046,147
Total liabilities		2,445,097,363	1,806,504,197

As at	Notes	31 December 2025 ﷲ	31 December 2024 ﷲ
Equity			
Share capital	16	1,698,100,000	891,000,000
Treasury shares	16	(25,000,000)	–
Share premium	16	151,680,000	–
Statutory reserve	17	190,902,420	162,893,535
Retained earnings		182,529,825	585,294,283
Share-based payment reserve	18	11,117,647	–
Other reserves		(17,712,540)	(27,272,492)
Total equity		2,191,617,352	1,611,915,326
Total liabilities and equity		4,636,714,715	3,418,419,523

The accompanying notes 1 to 35 form an integral part of these financial statements.



Chief Executive Officer



Chairman of the Board



Chief Financial Officer



STATEMENT OF INCOME

For the year ended 31 December 2025
(All amounts in Saudi Riyals (ﷻ) unless otherwise stated)

For the year ended	Notes	31 December 2025 ﷻ	31 December 2024 ﷻ
Reinsurance revenue	7, 19	1,672,498,610	1,129,966,260
Reinsurance service expenses	7, 20	(1,468,141,866)	(987,822,423)
Net (expense)/income from retrocession contracts	7, 21	(33,630,127)	388,563
Reinsurance service result		170,726,617	142,532,400
Investment income from financial investments measured at amortized cost	24	96,173,472	68,240,189
Net income from financial investments measured at fair value	25	38,152,129	14,414,552
Gain on sale of investment in an equity accounted investee		–	365,949,388
Investment management expenses		(6,224,441)	(9,619,291)
(Charge)/reversal for expected credit losses		(360,769)	1,196,586
Net investment income		127,740,391	440,181,424
Net finance expense from reinsurance contracts	7, 22	(112,729,660)	(49,526,270)
Net finance income from retrocession contracts	7, 23	49,969,936	12,097,373
Net financial result		64,980,667	402,752,527
Net reinsurance and investment result		235,707,284	545,284,927
Other income	26	8,717,300	8,777,656
Special commission expense		(1,924,787)	(1,802,326)
Other operating expenses	27	(51,864,346)	(49,054,974)
Share of profit of equity accounted investee		–	2,510,590
Net income for the year before zakat and tax		190,635,451	505,715,873
Zakat for the year	15	(46,380,652)	(29,668,654)
Tax charge for the year	15	(4,210,372)	(1,235,577)
Net income for the year after zakat and tax		140,044,427	474,811,642
Basic and diluted earnings per share (Restated)	28	0.84	3.69

The accompanying notes 1 to 35 form an integral part of these financial statements.



Chief Executive Officer



Chairman of the Board



Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025 **121**
(All amounts in Saudi Riyals (ﷻ) unless otherwise stated)

For the year ended	Notes	31 December 2025 ﷻ	31 December 2024 ﷻ
Net income for the year after zakat and tax		140,044,427	474,811,642
Other comprehensive income			
Items that will not be reclassified to income statement subsequently			
Financial investments at FVOCI – net change in fair value		7,005,491	1,559,726
Re-measurement gain/(loss) on employees’ end of service benefits		2,554,461	(12,889,711)
Items that may be classified to income statement subsequently			
Share of foreign currency translation reserve of an equity accounted investee		–	1,611,630
Other comprehensive income/(loss)		9,559,952	(9,718,355)
Total comprehensive income for the year		149,604,379	465,093,287

The accompanying notes 1 to 35 form an integral part of these financial statements.



Chief Executive Officer



Chairman of the Board



Chief Financial Officer



STATEMENT OF
CHANGES IN EQUITY

For the year ended 31 December 2025
(All amounts in Saudi Riyals (﷼) unless otherwise stated)

	Notes	Share capital ﷼	Share premium ﷼	
Balance as at 1 January 2024		891,000,000	–	
Net income for the year		–	–	
Other comprehensive loss		–	–	
Total comprehensive income for the year		–	–	
Transfer to statutory reserve		–	–	
Share of capital contribution of investment in equity accounted investee		–	–	
Balance as at 31 December 2024		891,000,000	–	
Balance as at 1 January 2025		891,000,000	–	
Net income for the year		–	–	
Other comprehensive income		–	–	
Total comprehensive income for the year		–	–	
Transfer to statutory reserve		–	–	
Capital issued during the year	16	267,300,000	160,380,000	
Transaction costs related to capital issued	16	–	(8,700,000)	
Issuance of bonus shares	16	539,800,000	–	
Treasury shares	16	–	–	
Share-based payment reserve	18	–	–	
Balance as at 31 December 2025		1,698,100,000	151,680,000	

The accompanying notes 1 to 35 form an integral part of these financial statements.



Chief Executive Officer



Chairman of the Board



Chief Financial Officer

Statement of Changes in Equity →

	Statutory reserve ﷲ	Retained earnings ﷲ	Other reserves ﷲ	Share-based payment reserve ﷲ	Treasury shares ﷲ	Total ﷲ
	67,931,207	194,358,333	(6,467,501)	–	–	1,146,822,039
	–	474,811,642	–	–	–	474,811,642
	–	–	(9,718,355)	–	–	(9,718,355)
	–	474,811,642	(9,718,355)	–	–	465,093,287
	94,962,328	(94,962,328)	–	–	–	–
	–	11,086,636	(11,086,636)	–	–	–
	162,893,535	585,294,283	(27,272,492)	–	–	1,611,915,326
	162,893,535	585,294,283	(27,272,492)	–	–	1,611,915,326
	–	140,044,427	–	–	–	140,044,427
	–	–	9,559,952	–	–	9,559,952
	–	140,044,427	9,559,952	–	–	149,604,379
	28,008,885	(28,008,885)	–	–	–	–
	–	–	–	–	–	427,680,000
	–	–	–	–	–	(8,700,000)
	–	(539,800,000)	–	–	–	–
	–	25,000,000	–	–	(25,000,000)	–
	–	–	–	11,117,647	–	11,117,647
	190,902,420	182,529,825	(17,712,540)	11,117,647	(25,000,000)	2,191,617,352

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025
(All amounts in Saudi Riyals (ﷲ) unless otherwise stated)

For the year ended	Notes	31 December 2025 ﷲ	31 December 2024 ﷲ
Cash flows from operating activities			
Net income for the year before zakat and tax		190,635,451	505,715,873
<i>Adjustments for:</i>			
Provision for employees' end of service benefits	14	4,883,729	2,444,377
Investment income from financial investments measured at amortized cost	24	(96,173,472)	(68,240,189)
Share-based payment expense		11,117,647	–
Income from Tier 1 Sukuk	25	(13,488,425)	(8,590,914)
Special commission expense on margin loan payable		1,924,787	1,802,326
Depreciation and amortization of property and equipment and intangibles		3,239,070	3,340,087
Realized gains on financial investments measured at FVIS	25	(9,458,698)	(15,946,925)
Unrealized (gains) / losses on financial investments measured at FVIS	25	(14,571,708)	7,410
Dividend income	25	(633,298)	(522,095)
Share of profit of equity accounted investee		–	(2,510,590)
Gain on sale of investment in an equity accounted investee		–	(365,949,388)
Charge/(reversal) for expected credit losses		360,769	(1,196,586)
		77,835,852	50,353,386
<i>Changes in:</i>			
Reinsurance contract assets		(28,145,007)	(14,301,193)
Reinsurance contract liabilities		604,376,147	370,347,235
Retrocession contract assets		(279,697,013)	(188,334,339)
Retrocession contract liabilities		16,456,077	16,742,367
Prepaid expenses, deposits and other assets		(41,530,050)	14,780,693
Statutory deposit		(80,708,940)	–
Accrued expenses and other liabilities		14,601,339	(30,299,853)
		283,188,405	219,288,296
Zakat and tax paid		(21,222,398)	(30,781,182)
Employees' end of service benefits paid		(2,547,772)	(3,615,638)
Net cash from operating activities		259,418,235	184,891,476

For the year ended	Notes	31 December 2025 ﷲ	31 December 2024 ﷲ
Cash flows from investing activities			
Additions to financial investments measured at amortized cost	6	(579,594,753)	(2,225,861,361)
Proceeds from maturity of financial investments measured at amortized cost	6	654,993,305	1,445,835,854
Receipt of special commission income		99,640,782	65,190,141
Dividends received		633,298	522,095
Purchase of property, equipment and intangible assets, net		(2,245,334)	(1,916,653)
Additions to financial investments measured at FVIS	6	(1,026,669,529)	(1,046,778,424)
Proceeds from disposal of financial investments measured at FVIS	6	462,545,616	1,122,349,259
Additions to financial investments measured at FVOCI	6	(272,795,000)	(138,737,500)
Proceeds from maturity of financial investments measured at FVOCI	6	15,000,000	–
Proceeds from disposal of investment in an equity accounted investee		–	579,061,348
Net cash used in investing activities		(648,491,615)	(200,335,241)
Cash flows from financing activities			
Proceeds from share capital issued		427,680,000	–
Transaction costs related to share capital issued		(8,700,000)	–
Special commission expense paid against margin loans		(1,924,787)	(1,802,326)
Net cash from/(used in) financing activities		417,055,213	(1,802,326)
Increase/(decrease) in cash and cash equivalents		27,981,833	(17,246,091)
Cash and cash equivalents at the beginning of the year	5	66,733,051	83,979,142
Cash and cash equivalents at the end of the year	5	94,714,884	66,733,051

The accompanying notes 1 to 35 form an integral part of these financial statements.



Chief Executive Officer



Chairman of the Board



Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025
(All amounts in Saudi Riyals (ﷲ) unless otherwise stated)

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.

2 BASIS OF PREPARATION

Statement of compliance

The financial statements of the Company as at and for the year ended 31 December 2025 have been prepared in accordance with IFRS Accounting Standards 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 fulfilment cash flows that are expected to arise as the Company fulfils 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.

Functional and presentation currency

These financial statements have been presented in Saudi Riyals (“ﷲ”), which is the functional and presentational currency of the Company. All financial information presented has been rounded off to the nearest ﷲ.

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 2025 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
Amendment 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

New standards not yet effective

The following standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company’s financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. Further, the Company has chosen not to early adopt the amendments and revisions to the International Financial Reporting Standards, which have been published and are mandatory for compliance for the Company with effect from future dates.

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	Annual reporting periods beginning on or after 1 January 2026

Standard, interpretation, amendments	Description	Effective date
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.	Annual reporting periods beginning on or after 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.	

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 arise from the costs of selling, underwriting and starting a group of reinsurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of reinsurance contracts to which the group belongs. 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 reflect 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.

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(iv) Contract boundaries

The measurement of a group of contracts includes all of the future cash flows 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 Company can compel the insurer to pay premiums or has a substantive obligation to provide services. A substantive obligation to provide services ends when: – the Company 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 Company 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 Company, 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 attaches to 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 present value of future 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.

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.

Retrocession contracts

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 fulfilment 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 recognised for cash flows related to the group, (c) any cash flows arising at that date and (d) any income recognised in profit or loss because of onerous underlying contracts recognised 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 recognises the cost immediately in the statement of income as an expense.

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 fulfilment 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. The Company presents reinsurance finance income and expenses in the Statement of Income.

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 derecognised, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of income.
- 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 held at amortized cost 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 derecognises 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 recognised 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.

Share-based payment plan

The Company operates a Long-Term Incentive Plan (LTIP) under which eligible employees are granted equity settled share-based awards. The LTIP is equity-settled and subject to time-based vesting over a three-year performance cycle, starting 1 January 2024 and ending 31 December 2026. Vesting occurs in two tranches:

- First Vesting: Q1 of the year following the performance period (i.e., Q1 2027).
- Second Vesting: 12 months after the first vesting date (i.e., Q1 2028).

Vesting is also conditional upon the achievement of Company-wide performance targets.

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:

- collection of receivables from customers or
- 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 recognised 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.

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 inflow 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 fulfillment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfillment 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 70.7%.

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.

The following table sets out the range of yield curves used to discount future cash flows for major currencies:

	31 December 2025				31 December 2024			
	1 year	5 years	10 years	15 years	1 year	5 years	10 years	15 years
SAR (%)	4.81	4.78	5.56	5.89	5.74	4.99	5.23	5.33
GBP (%)	4.09	4.36	5.17	5.56	4.88	4.09	4.46	4.68
AED (%)	4.67	4.64	5.42	5.76	5.46	4.71	4.95	5.05
INR (%)	6.08	6.87	6.22	7.62	7.01	6.67	6.44	6.25
KRW (%)	3.07	4.30	4.12	3.47	3.08	2.80	2.87	2.47

(ii) Contractual service margin

The CSM of a group of contracts is recognised 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, Company 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.

(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

	Notes	31 December 2025	31 December 2024
Cash in hand		40,290	40,290
Bank balances		94,674,594	66,692,761
Bank balance – restricted	11	–	6,731,869
Total cash and bank balances		94,714,884	73,464,920
Less: Bank balance – restricted	11	–	(6,731,869)
Total cash and cash equivalents in the statement of cash flows		94,714,884	66,733,051

Bank balances include call account balance of ﷲ 8.70 million (2024: ﷲ 5.09 million). Cash at banks are placed with counterparties which have credit ratings of BBB+ and above as per Moody's ratings methodology.

6 FINANCIAL INVESTMENTS

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

	31 December 2025	31 December 2024
Measured at FVIS		
Financial investments mandatorily measured at FVIS		
Money market funds	673,142,616	86,193,233
Investment funds	6,096,987	7,607,587
Financial investments designated at FVIS		
Equity securities	3,739,382	1,023,846
	682,978,985	94,824,666

	31 December 2025	31 December 2024
Measured at FVOCI		
Financial investments designated at FVOCI		
Tier 1 sukuk	546,199,704	285,914,854
	546,199,704	285,914,854
Measured at amortized cost		
Time deposits	992,135,427	985,306,792
Debt securities	865,057,193	932,747,624
Expected credit losses	(2,208,128)	(1,846,299)
	1,854,984,492	1,916,208,117
Total financial investments	3,084,163,181	2,296,947,637

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 5.34% (31 December 2024: 5.44%) per annum and have terms of 3-5 years (2024: 3 - 5 years).

Debt securities are placed with counterparties having sound rating. Such securities earn special commission at an average effective commission rate of 4.83% (2024: 4.63%) per annum and have term of 4-10 years (2024: 4-10 years).

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

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of the year	1,224,741	–	621,558	1,846,299
Charge during the year	153,622	–	208,207	361,829
	1,378,363	–	829,765	2,208,128

	31 December 2024 (ﷻ)			
	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

The value of investments classified at stage 1 and stage 3 amounts to ﷻ 1,855,458,296 and ﷻ 1,734,324 respectively (2024: Stage 1 – ﷻ 1,916,457,171, Stage 3 – ﷻ 1,597,245).

(iii) The movement of financial investments is as follows:

	31 December 2025			
	FVIS	FVOCI	Amortized cost	Total
Opening balance	94,824,666	285,914,854	1,916,208,117	2,296,947,637
Additions	1,026,669,529	272,795,000	579,594,753	1,879,059,282
Disposals/Maturity	(462,545,616)	(15,000,000)	(654,993,305)	(1,132,538,921)
Unrealized gains/Change in fair value, net	14,571,708	7,005,491	–	21,577,199
Realized gains	9,458,698	–	–	9,458,698
Change in accrued profit	–	(4,515,641)	7,857,710	3,342,069
Amortization of discount/(premium), net	–	–	6,679,046	6,679,046
Charge for expected credit losses	–	–	(361,829)	(361,829)
Closing balance	682,978,985	546,199,704	1,854,984,492	3,084,163,181

	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/change in fair value, net	(7,410)	1,559,726	–	1,552,316
Realized gains	15,946,925	–	–	15,946,925
Change in accrued profit	–	3,984,954	5,435,683	9,420,637
Amortization of discount/(premium), net	–	–	2,220,325	2,220,325
Reversal for 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

7 REINSURANCE AND RETROCESSION CONTRACTS

	Property and Casualty (P&C)	Life and Health (L&H)	Total
31 December 2025			
Reinsurance contracts			
Reinsurance contract assets	(109,462,169)	(10,811,318)	(120,273,487)
Reinsurance contract liabilities	2,154,411,138	35,106,818	2,189,517,956
Net balance	2,044,948,969	24,295,500	2,069,244,469
Retrocession contracts			
Retrocession contract assets	(907,624,519)	–	(907,624,519)
Retrocession contract liabilities	33,279,074	109,023	33,388,097
Net balance	(874,345,445)	109,023	(874,236,422)
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
Net balance	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
Net balance	(611,052,148)	56,662	(610,995,486)

A. Movements in reinsurance and retrocession contract balances

Description	Reinsurance contracts	Description	Retrocession contracts
Net opening balance	1,451,848,785	Net opening balance	(610,995,486)
Premiums, net of ceding commission, received	1,298,722,887	Premiums paid, net of commission	(277,871,134)
Claims and other reinsurance service expenses paid	(566,234,602)	Recoveries from retrocession	30,970,007
	(76,920,703)	Retrocession expenses	33,630,127
Reinsurance acquisition cash flows	(1,672,498,610)	Retrocession finance income	(49,969,936)
Reinsurance revenue	1,468,141,866		
	112,729,660		
	2,015,789,283		
Accumulated surplus	53,455,186		
Net closing balance	2,069,244,469	Net closing balance	(874,236,422)

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 2025					
	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	350,007,362	19,321,326	1,111,678,075	62,970,502	1,543,977,265	
Opening assets	2,125,339	1,040,196	(106,408,492)	11,114,477	(92,128,480)	
Net opening 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	
Changes in the statement of income						
Reinsurance revenue	(1,672,498,610)	–	–	–	(1,672,498,610)	
Reinsurance service expenses						
Incurred claims and other reinsurance service expenses	–	(69,822,715)	1,474,162,513	47,560,510	1,451,900,308	
Amortisation of insurance acquisition cash flows	58,226,224	–	–	–	58,226,224	
Losses and reversals of losses on onerous contracts, net	–	73,863,326	–	–	73,863,326	
Adjustments to liabilities for incurred claims	–	–	(101,842,395)	(14,005,597)	(115,847,992)	
	58,226,224	4,040,611	1,372,320,118	33,554,913	1,468,141,866	
Investment components	(5,713,858)	–	5,713,858	–	–	
Reinsurance service result – Gross	(1,619,986,244)	4,040,611	1,378,033,976	33,554,913	(204,356,744)	
Net finance (income)/expenses from reinsurance contracts	22,058,890	4,660,791	97,430,839	–	124,150,520	
Effect of movement in exchange rates	497,364	–	(11,918,224)	–	(11,420,860)	
Total changes in the statement of income	(1,597,429,990)	8,701,402	1,463,546,591	33,554,913	(91,627,084)	

	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	
	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
	(1,129,966,260)	–	–	–	(1,129,966,260)
	–	(146,266,712)	1,060,378,983	31,394,073	945,506,344
	39,353,473	–	–	–	39,353,473
	–	113,272,897	–	–	113,272,897
	–	–	(104,987,987)	(5,322,304)	(110,310,291)
	39,353,473	(32,993,815)	955,390,996	26,071,769	987,822,423
	(5,007,017)	–	5,007,017	–	–
	(1,095,619,804)	(32,993,815)	960,398,013	26,071,769	(142,143,837)
	(17,786,717)	8,808,368	70,551,741	–	61,573,392
	(124,935)	–	(11,922,187)	–	(12,047,122)
	(1,113,531,456)	(24,185,447)	1,019,027,567	26,071,769	(92,617,567)

	31 December 2025					
	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	837,983,656	–	460,739,231	–	1,298,722,887	
Claims and other reinsurance service expenses paid	–	–	(566,234,602)	–	(566,234,602)	
Reinsurance acquisition cash flows	(76,920,703)	–	–	–	(76,920,703)	
	761,062,953	–	(105,495,371)	–	655,567,582	
Premiums expected to be received transferred from the LRC to LIC	1,047,753,902	–	(1,047,753,902)	–	–	
Net closing balance	563,519,566	29,062,924	1,315,566,901	107,639,892	2,015,789,283	
Closing liabilities	562,554,756	26,480,595	1,457,647,248	89,380,171	2,136,062,770	
Closing assets	964,810	2,582,329	(142,080,347)	18,259,721	(120,273,487)	
Net closing balance	563,519,566	29,062,924	1,315,566,901	107,639,892	2,015,789,283	
Accumulated surplus	–	–	53,455,186	–	53,455,186	
Total reinsurance contract liabilities	562,554,756	26,480,595	1,511,102,434	89,380,171	2,189,517,956	

Reinsurance contracts**Analysis by measurement component**

	31 December 2025				
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	
Reinsurance contracts					
Opening liabilities	924,498,633	117,962,941	501,515,691	1,543,977,265	
Opening assets	(160,289,412)	20,618,947	47,541,985	(92,128,480)	
Net opening 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 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	
	670,915,843	–	386,302,744	–	1,057,218,587
	–	–	(562,679,628)	–	(562,679,628)
	(58,206,573)	–	–	–	(58,206,573)
	612,709,270	–	(176,376,884)	–	436,332,386
	597,312,520	–	(597,312,520)	–	–
	352,132,701	20,361,522	1,005,269,583	74,084,979	1,451,848,785
	350,007,362	19,321,326	1,111,678,075	62,970,502	1,543,977,265
	2,125,339	1,040,196	(106,408,492)	11,114,477	(92,128,480)
	352,132,701	20,361,522	1,005,269,583	74,084,979	1,451,848,785
	–	–	41,164,544	–	41,164,544
	350,007,362	19,321,326	1,152,842,619	62,970,502	1,585,141,809

	31 December 2024				
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	
	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	

	31 December 2025				
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	
Changes in the statement of income					
Changes that relate to current services					
CSM recognised for the services provided	–	–	(322,428,985)	(322,428,985)	
Change in the risk adjustment for non-financial risk for the risk expired	–	12,343,954	–	12,343,954	
Experience adjustments	147,712,953	–	–	147,712,953	
Changes that relate to future services					
Contracts initially recognised in the period	(504,701,085)	62,129,288	516,264,256	73,692,459	
Changes in estimates that adjust the CSM	15,944,474	(1,435,219)	(14,509,255)	–	
Changes in estimates that result in losses and reversals of losses on onerous contracts, net	419,365	(248,498)	–	170,867	
Changes that relate to past services					
Adjustments to liabilities for incurred claims	(101,842,395)	(14,005,597)	–	(115,847,992)	
Reinsurance service result – Gross	(442,466,688)	58,783,928	179,326,016	(204,356,744)	
Net finance expenses from reinsurance contracts	66,638,238	–	57,512,282	124,150,520	
Effect of movement in exchange rates	(11,420,860)	–	–	(11,420,860)	
Total changes in the statement of income	(387,249,310)	58,783,928	236,838,298	(91,627,084)	
Cash flows					
Premiums, net of ceding commission, received	1,298,722,887	–	–	1,298,722,887	
Claims and other reinsurance service expenses paid	(566,234,602)	–	–	(566,234,602)	
Reinsurance acquisition cash flows	(76,920,703)	–	–	(76,920,703)	
	655,567,582	–	–	655,567,582	
Net closing balance	1,032,527,493	197,365,816	785,895,974	2,015,789,283	
Closing liabilities	1,212,603,603	173,009,408	750,449,759	2,136,062,770	
Closing assets	(180,076,110)	24,356,408	35,446,215	(120,273,487)	
Net closing balance	1,032,527,493	197,365,816	785,895,974	2,015,789,283	
Accumulated surplus	53,455,186	–	–	53,455,186	
Total reinsurance contract liabilities	1,266,058,789	173,009,408	750,449,759	2,189,517,956	

	31 December 2024			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	–	–	(228,429,834)	(228,429,834)
	–	17,346,664	–	17,346,664
	65,976,727	–	–	65,976,727
	(324,545,596)	52,924,007	403,935,004	132,313,415
	(12,348,643)	(19,291,388)	31,640,031	–
	(16,667,732)	(2,372,786)	–	(19,040,518)
	(104,987,987)	(5,322,304)	–	(110,310,291)
	(392,573,231)	43,284,193	207,145,201	(142,143,837)
	22,625,111	–	38,948,281	61,573,392
	(12,047,122)	–	–	(12,047,122)
	(381,995,242)	43,284,193	246,093,482	(92,617,567)
	1,057,218,587	–	–	1,057,218,587
	(562,679,628)	–	–	(562,679,628)
	(58,206,573)	–	–	(58,206,573)
	436,332,386	–	–	436,332,386
	764,209,221	138,581,888	549,057,676	1,451,848,785
	924,498,633	117,962,941	501,515,691	1,543,977,265
	(160,289,412)	20,618,947	47,541,985	(92,128,480)
	764,209,221	138,581,888	549,057,676	1,451,848,785
	41,164,544	–	–	41,164,544
	965,663,177	117,962,941	501,515,691	1,585,141,809

Retrocession contracts**Analysis by remaining coverage and incurred claims**

	31 December 2025					
	(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	(278,418,827)	(859,277)	(332,370,171)	(16,279,231)	(627,927,506)	
Opening liabilities	(1,037,987)	(151,360)	19,097,085	(975,718)	16,932,020	
Net opening balance	(279,456,814)	(1,010,637)	(313,273,086)	(17,254,949)	(610,995,486)	
Allocation of retrocession premiums paid	488,809,970	–	–	–	488,809,970	
Income on initial recognition of onerous underlying reinsurance contracts	–	(8,347,087)	–	–	(8,347,087)	
Amounts recoverable from retrocessionaires						
Recoveries of incurred claims and other reinsurance services	–	–	(437,225,538)	(19,449,716)	(456,675,254)	
Recoveries and reversals of recoveries of losses on onerous underlying contracts, net	–	6,148,608	–	–	6,148,608	
Adjustments to assets for incurred claims	–	–	5,666,307	1,740,828	7,407,135	
	–	6,148,608	(431,559,231)	(17,708,888)	(443,119,511)	
Changes that relate to future service	–	(3,700,975)	–	–	(3,700,975)	
Effect of changes in the risk of retrocessionaires' non-performance	70,849	–	(83,119)	–	(12,270)	
Net expenses/(income) from retrocession contracts	488,880,819	(5,899,454)	(431,642,350)	(17,708,888)	33,630,127	
Net finance income from retrocession contracts	(22,380,870)	(457,015)	(26,694,852)	–	(49,532,737)	
Effect of movement in exchange rates	(193)	–	(437,006)	–	(437,199)	
Total changes in the statement of income	466,499,756	(6,356,469)	(458,774,208)	(17,708,888)	(16,339,809)	
Cash flows						
Premiums, net of ceding commissions, paid	(225,282,484)	–	(52,588,650)	–	(277,871,134)	
Recoveries from retrocession	–	–	30,970,007	–	30,970,007	
	(225,282,484)	–	(21,618,643)	–	(246,901,127)	
Premiums expected to be received transferred from the ARC to AIC	(246,877,461)	–	246,877,461	–	–	
Net closing balance	(285,117,003)	(7,367,106)	(546,788,476)	(34,963,837)	(874,236,422)	
Closing contract assets	(290,370,966)	(6,776,353)	(581,255,947)	(29,221,253)	(907,624,519)	
Closing contract liabilities	5,253,963	(590,753)	34,467,471	(5,742,584)	33,388,097	
Net closing balance	(285,117,003)	(7,367,106)	(546,788,476)	(34,963,837)	(874,236,422)	

	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	
	(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)
	206,776,524	–	–	–	206,776,524
	–	(4,354,901)	–	–	(4,354,901)
	–	–	(264,754,866)	(11,783,489)	(276,538,355)
	–	6,316,388	–	–	6,316,388
	–	–	63,298,929	5,331,760	68,630,689
	–	6,316,388	(201,455,937)	(6,451,729)	(201,591,278)
	–	617,969	–	–	617,969
	(1,415,409)	–	(421,468)	–	(1,836,877)
	205,361,115	2,579,456	(201,877,405)	(6,451,730)	(388,563)
	(132,967)	(361,221)	(11,435,149)	–	(11,929,337)
	–	–	(168,036)	–	(168,036)
	205,228,148	2,218,235	(213,480,590)	(6,451,729)	(12,485,936)
	(219,035,532)	–	1,709,675	–	(217,325,857)
	–	–	58,219,821	–	58,219,821
	(219,035,532)	–	59,929,496	–	(159,106,036)
	(76,502,419)	–	76,502,419	–	–
	(279,456,814)	(1,010,637)	(313,273,086)	(17,254,949)	(610,995,486)
	(278,418,827)	(859,277)	(332,370,171)	(16,279,231)	(627,927,506)
	(1,037,987)	(151,360)	19,097,085	(975,718)	16,932,020
	(279,456,814)	(1,010,637)	(313,273,086)	(17,254,949)	(610,995,486)

Retrocession contracts**Analysis by measurement component**

	31 December 2025				
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	
Retrocession contracts					
Opening assets	(225,220,930)	(53,908,745)	(348,797,831)	(627,927,506)	
Opening liabilities	69,838,854	(4,414,176)	(48,492,658)	16,932,020	
Net opening balance	(155,382,076)	(58,322,921)	(397,290,489)	(610,995,486)	
Changes in the statement of income					
Changes that relate to current services					
CSM recognised for the services received	–	–	197,424,996	197,424,996	
Change in the risk adjustment for non-financial risk for the risk expired	–	(11,163,018)	–	(11,163,018)	
Experience adjustments	(147,978,654)	–	–	(147,978,654)	
Changes that relate to future services					
Contracts initially recognised in the period	277,046,802	(26,722,499)	(258,671,390)	(8,347,087)	
Changes in recoveries of losses on onerous contracts that adjust the CSM	12,316,752	(292,410)	(12,024,342)	–	
Changes in estimates that adjust the CSM	(120,924,019)	(353,267)	121,277,286	–	
Changes in estimates that relate to losses and reversals of losses on onerous underlying reinsurance contracts, net	120,958,908	1,090,025	(125,749,908)	(3,700,975)	
Changes that relate to past services					
Adjustments to liabilities for incurred claims	5,666,307	1,740,828	–	7,407,135	
Effect of changes in the risk of reinsurers non-performance	(12,270)	–	–	(12,270)	
Net expenses/(income) from retrocession contracts	147,073,826	(35,700,341)	(77,743,358)	33,630,127	
Net finance (income)/expense from retrocession contracts	(14,035,136)	–	(35,497,601)	(49,532,737)	
Effect of movement in exchange rates	(437,199)	–	–	(437,199)	
Total changes in the statement of income	132,601,491	(35,700,341)	(113,240,959)	(16,339,809)	
Cash flows					
Premiums, net of ceding commissions, paid	(277,871,134)	–	–	(277,871,134)	
Recoveries from retrocession	30,970,007	–	–	30,970,007	
	(246,901,127)	–	–	(246,901,127)	
Net closing balance	(269,681,712)	(94,023,262)	(510,531,448)	(874,236,422)	
Closing assets	(326,600,436)	(86,716,211)	(494,307,872)	(907,624,519)	
Closing liabilities	56,918,724	(7,307,051)	(16,223,576)	33,388,097	
Net closing balance	(269,681,712)	(94,023,262)	(510,531,448)	(874,236,422)	

	31 December 2024			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	(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)
	–	–	80,312,980	80,312,980
	–	(9,805,033)	–	(9,805,033)
	(133,953,390)	–	–	(133,953,390)
	216,652,478	(18,876,386)	(202,130,993)	(4,354,901)
	(13,626,745)	(2,737,320)	16,364,065	–
	63,091,646	(108,230)	(62,983,416)	–
	(16,043,140)	13,380,756	3,280,353	617,969
	63,298,929	5,331,760	–	68,630,689
	(1,836,877)	–	–	(1,836,877)
	177,582,901	(12,814,453)	(165,157,011)	(388,563)
	9,172,576	–	(21,101,913)	(11,929,337)
	(168,036)	–	–	(168,036)
	186,587,441	(12,814,453)	(186,258,924)	(12,485,936)
	(217,325,857)	–	–	(217,325,857)
	58,219,821	–	–	58,219,821
	(159,106,036)	–	–	(159,106,036)
	(155,382,076)	(58,322,921)	(397,290,489)	(610,995,486)
	(225,220,930)	(53,908,745)	(348,797,831)	(627,927,506)
	69,838,854	(4,414,176)	(48,492,658)	16,932,020
	(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 2025					
	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	350,137,951	19,092,641	1,088,399,656	60,951,002	1,518,581,250	
Opening assets	2,290,648	842,576	(104,949,456)	11,002,302	(90,813,930)	
Net opening 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	
Changes in the statement of income						
Reinsurance revenue	(1,601,752,952)	–	–	–	(1,601,752,952)	
Reinsurance service expenses						
Incurred claims and other reinsurance service expenses	–	(69,041,690)	1,417,452,656	46,477,482	1,394,888,448	
Amortisation of insurance acquisition cash flows	56,473,615	–	–	–	56,473,615	
Losses and reversals of losses on onerous contracts, net	–	73,036,122	–	–	73,036,122	
Adjustments to liabilities for incurred claims	–	–	(103,844,123)	(13,501,325)	(117,345,448)	
	56,473,615	3,994,432	1,313,608,533	32,976,157	1,407,052,737	
Investment components	(5,709,383)	–	5,709,383	–	–	
Reinsurance service result – Gross	(1,550,988,720)	3,994,432	1,319,317,916	32,976,157	(194,700,215)	
Net finance (income)/expenses from reinsurance contracts	23,569,830	4,581,122	92,025,222	–	120,176,174	
Effect of movement in exchange rates	514,420	–	(11,997,771)	–	(11,483,351)	
Total changes in the statement of income	(1,526,904,470)	8,575,554	1,399,345,367	32,976,157	(86,007,392)	

	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	
	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
	(1,081,768,104)	–	–	–	(1,081,768,104)
	–	(144,304,122)	1,021,761,538	30,713,719	908,171,135
	36,984,305	–	–	–	36,984,305
	–	112,871,048	–	–	112,871,048
	–	–	(101,688,148)	(5,005,495)	(106,693,643)
	36,984,305	(31,433,074)	920,073,390	25,708,224	951,332,845
	(5,003,127)	–	5,003,127	–	–
	(1,049,786,926)	(31,433,074)	925,076,517	25,708,224	(130,435,259)
	(15,519,634)	8,543,995	65,711,120	–	58,735,481
	(119,093)	–	(12,083,817)	–	(12,202,910)
	(1,065,425,653)	(22,889,079)	978,703,820	25,708,224	(83,902,688)

	31 December 2025					
	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	822,372,956	–	462,344,329	–	1,284,717,285	
Claims and other reinsurance service expenses paid	–	–	(559,653,315)	–	(559,653,315)	
Reinsurance acquisition cash flows	(75,330,115)	–	–	–	(75,330,115)	
	747,042,841	–	(97,308,986)	–	649,733,855	
Premiums expected to be received transferred from the LRC to LIC	988,715,577	–	(988,715,577)	–	–	
Net closing balance	561,282,547	28,510,771	1,296,771,004	104,929,461	1,991,493,783	
Closing liabilities	560,503,622	25,929,911	1,427,530,367	86,992,052	2,100,955,952	
Closing assets	778,925	2,580,860	(130,759,363)	17,937,409	(109,462,169)	
Net closing balance	561,282,547	28,510,771	1,296,771,004	104,929,461	1,991,493,783	
Accumulated surplus	–	–	53,455,186	–	53,455,186	
Total reinsurance contract liabilities	560,503,622	25,929,911	1,480,985,553	86,992,052	2,154,411,138	

	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	
	653,829,841	–	367,465,042	–	1,021,294,883
	–	–	(533,736,530)	–	(533,736,530)
	(55,762,763)	–	–	–	(55,762,763)
	598,067,078	–	(166,271,488)	–	431,795,590
	563,389,155	–	(563,389,155)	–	–
	352,428,599	19,935,217	983,450,200	71,953,304	1,427,767,320
	350,137,951	19,092,641	1,088,399,656	60,951,002	1,518,581,250
	2,290,648	842,576	(104,949,456)	11,002,302	(90,813,930)
	352,428,599	19,935,217	983,450,200	71,953,304	1,427,767,320
	–	–	41,164,544	–	41,164,544
	350,137,951	19,092,641	1,129,564,200	60,951,002	1,559,745,794



Reinsurance contracts**Analysis by measurement component**

	31 December 2025				
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	
Reinsurance contracts					
Opening liabilities	902,329,047	115,639,897	500,612,306	1,518,581,250	
Opening assets	(158,805,081)	20,478,781	47,512,370	(90,813,930)	
Net opening 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	
Changes in the statement of income					
Changes that relate to current services					
CSM recognised for the services provided	–	–	(315,280,140)	(315,280,140)	
Change in the risk adjustment for non-financial risk for the risk expired	–	12,302,635	–	12,302,635	
Experience adjustments	152,586,616	–	–	152,586,616	
Changes that relate to future services					
Contracts initially recognised in the period	(491,144,705)	60,679,701	503,559,793	73,094,789	
Changes in estimates that adjust the CSM	16,171,360	(1,344,694)	(14,826,666)	–	
Changes in estimates that result in losses and reversals of losses on onerous contracts, net	189,208	(247,875)	–	(58,667)	
Changes that relate to past services					
Adjustments to liabilities for incurred claims	(103,844,123)	(13,501,325)	–	(117,345,448)	
Reinsurance service result – Gross	(426,041,644)	57,888,442	173,452,987	(194,700,215)	
Net finance expenses from reinsurance contracts	63,443,700	–	56,732,474	120,176,174	
Effect of movement in exchange rates	(11,483,351)	–	–	(11,483,351)	
Total changes in the statement of income	(374,081,295)	57,888,442	230,185,461	(86,007,392)	
Cash flows					
Premiums, net of ceding commission, received	1,284,717,285	–	–	1,284,717,285	
Claims and other reinsurance service expenses paid	(559,653,315)	–	–	(559,653,315)	
Reinsurance acquisition cash flows	(75,330,115)	–	–	(75,330,115)	
	649,733,855	–	–	649,733,855	
Net closing balance	1,019,176,526	194,007,120	778,310,137	1,991,493,783	
Closing liabilities	1,186,357,385	170,139,865	744,458,702	2,100,955,952	
Closing assets	(167,180,859)	23,867,255	33,851,435	(109,462,169)	
Net closing balance	1,019,176,526	194,007,120	778,310,137	1,991,493,783	
Accumulated surplus	53,455,186	–	–	53,455,186	
Total reinsurance contract liabilities	1,239,812,571	170,139,865	744,458,702	2,154,411,138	

	31 December 2024			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	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
	–	–	(225,625,241)	(225,625,241)
	–	17,195,426	–	17,195,426
	71,817,151	–	–	71,817,151
	(320,190,476)	52,086,645	400,378,472	132,274,641
	(13,150,730)	(18,931,212)	32,081,942	–
	(17,058,753)	(2,344,840)	–	(19,403,593)
	(101,688,148)	(5,005,495)	–	(106,693,643)
	(380,270,956)	43,000,524	206,835,173	(130,435,259)
	20,023,942	–	38,711,539	58,735,481
	(12,202,910)	–	–	(12,202,910)
	(372,449,924)	43,000,524	245,546,712	(83,902,688)
	1,021,294,883	–	–	1,021,294,883
	(533,736,530)	–	–	(533,736,530)
	(55,762,763)	–	–	(55,762,763)
	431,795,590	–	–	431,795,590
	743,523,966	136,118,678	548,124,676	1,427,767,320
	902,329,047	115,639,897	500,612,306	1,518,581,250
	(158,805,081)	20,478,781	47,512,370	(90,813,930)
	743,523,966	136,118,678	548,124,676	1,427,767,320
	41,164,544	–	–	41,164,544
	943,493,591	115,639,897	500,612,306	1,559,745,794

Retrocession contracts**Analysis by remaining coverage and incurred claims**

	31 December 2025					
	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	(278,418,827)	(859,277)	(332,370,170)	(16,279,232)	(627,927,506)	
Opening liabilities	(1,039,885)	(149,549)	19,039,743	(974,951)	16,875,358	
Net opening balance	(279,458,712)	(1,008,826)	(313,330,427)	(17,254,183)	(611,052,148)	
Allocation of retrocession premiums paid	488,536,078	–	–	–	488,536,078	
Income on initial recognition of onerous underlying reinsurance contracts	–	(8,347,087)	–	–	(8,347,087)	
Amounts recoverable from retrocessionaires						
Recoveries of incurred claims and other reinsurance services	–	–	(437,225,539)	(19,449,715)	(456,675,254)	
Recoveries and reversals of recoveries of losses on onerous underlying contracts, net	–	6,146,637	–	–	6,146,637	
Adjustments to assets for incurred claims	–	–	5,629,164	1,740,843	7,370,007	
	–	6,146,637	(431,596,375)	(17,708,872)	(443,158,610)	
Changes that relate to future service	–	(3,701,033)	–	–	(3,701,033)	
Effect of changes in the risk of retrocessionaires’ non-performance	70,848	–	(83,143)	–	(12,295)	
Net expenses/(income) from retrocession contracts	488,606,926	(5,901,483)	(431,679,518)	(17,708,872)	33,317,053	
Net finance income from retrocession contracts	(22,387,105)	(456,797)	(26,696,772)	–	(49,540,674)	
Effect of movement in exchange rates	(193)	–	(437,006)	–	(437,199)	
Total changes in the statement of income	466,219,628	(6,358,280)	(458,813,296)	(17,708,872)	(16,660,820)	
Cash flows						
Premiums, net of ceding commissions, paid	(225,013,834)	–	(52,588,650)	–	(277,602,484)	
Recoveries from retrocession	–	–	30,970,007	–	30,970,007	
	(225,013,834)	–	(21,618,643)	–	(246,632,477)	
Premiums expected to be received transferred from the ARC to AIC	(246,865,244)	–	246,865,244	–	–	
Net closing balance	(285,118,162)	(7,367,106)	(546,897,122)	(34,963,055)	(874,345,445)	
Closing contract assets	(290,370,966)	(6,776,353)	(581,255,947)	(29,221,253)	(907,624,519)	
Closing contract liabilities	5,252,804	(590,753)	34,358,825	(5,741,802)	33,279,074	
Net closing balance	(285,118,162)	(7,367,106)	(546,897,122)	(34,963,055)	(874,345,445)	

	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	
	(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)
	206,515,160	–	–	–	206,515,160
	–	(4,354,709)	–	–	(4,354,709)
	–	–	(264,754,866)	(11,783,489)	(276,538,355)
	–	6,309,716	–	–	6,309,716
	–	–	63,229,956	5,331,865	68,561,821
	–	6,309,716	(201,524,910)	(6,451,624)	(201,666,818)
	–	619,546	–	–	619,546
	(1,415,409)	–	(421,603)	–	(1,837,012)
	205,099,751	2,574,553	(201,946,513)	(6,451,624)	(723,833)
	(141,135)	(360,069)	(11,446,438)	–	(11,947,642)
	–	–	(168,037)	–	(168,037)
	204,958,616	2,214,484	(213,560,988)	(6,451,624)	(12,839,512)
	(218,766,590)	–	1,927,300	–	(216,839,290)
	–	–	58,219,821	–	58,219,821
	(218,766,590)	–	60,147,121	–	(158,619,469)
	(76,502,419)	–	76,502,419	–	–
	(279,458,712)	(1,008,826)	(313,330,427)	(17,254,183)	(611,052,148)
	(278,418,827)	(859,277)	(332,370,170)	(16,279,232)	(627,927,506)
	(1,039,885)	(149,549)	19,039,743	(974,951)	16,875,358
	(279,458,712)	(1,008,826)	(313,330,427)	(17,254,183)	(611,052,148)

Retrocession contracts**Analysis by measurement component**

	31 December 2025				
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	
Retrocession contracts					
Opening assets	(225,220,930)	(53,908,745)	(348,797,831)	(627,927,506)	
Opening liabilities	69,781,510	(4,413,409)	(48,492,743)	16,875,358	
Net opening balance	(155,439,420)	(58,322,154)	(397,290,574)	(611,052,148)	
Changes in the statement of income					
Changes that relate to current services					
CSM recognised for the services received	–	–	197,160,796	197,160,796	
Change in the risk adjustment for non-financial risk for the risk expired	–	(11,163,018)	–	(11,163,018)	
Experience adjustments	(147,990,317)	–	–	(147,990,317)	
Changes that relate to future services					
Contracts initially recognised in the period	276,801,842	(26,722,499)	(258,426,430)	(8,347,087)	
Changes in recoveries of losses on onerous contracts that adjust the CSM	12,316,752	(292,410)	(12,024,342)	–	
Changes in estimates that adjust the CSM	(120,998,355)	(353,267)	121,351,622	–	
Changes in estimates that relate to losses and reversals of losses on onerous underlying reinsurance contracts, net	121,026,326	1,090,025	(125,817,384)	(3,701,033)	
Changes that relate to past services					
Adjustments to liabilities for incurred claims	5,629,164	1,740,843	–	7,370,007	
Effect of changes in the risk of reinsurers non-performance	(12,295)	–	–	(12,295)	
Net expenses/(income) from retrocession contracts	146,773,117	(35,700,326)	(77,755,738)	33,317,053	
Net finance (income)/expense from retrocession contracts	(14,057,120)	–	(35,483,554)	(49,540,674)	
Effect of movement in exchange rates	(437,199)	–	–	(437,199)	
Total changes in the statement of income	132,278,798	(35,700,326)	(113,239,292)	(16,660,820)	
Cash flows					
Premiums, net of ceding commissions, paid	(277,602,484)	–	–	(277,602,484)	
Recoveries from retrocession	30,970,007	–	–	30,970,007	
	(246,632,477)	–	–	(246,632,477)	
Net closing balance	(269,793,099)	(94,022,480)	(510,529,866)	(874,345,445)	
Closing assets	(326,600,436)	(86,716,211)	(494,307,872)	(907,624,519)	
Closing liabilities	56,807,337	(7,306,269)	(16,221,994)	33,279,074	
Net closing balance	(269,793,099)	(94,022,480)	(510,529,866)	(874,345,445)	

	31 December 2024			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	(183,058,050)	(45,507,807)	(211,027,310)	(439,593,167)
	–	–	–	–
	(183,058,050)	(45,507,807)	(211,027,310)	(439,593,167)
	–	–	80,044,589	80,044,589
	–	(9,805,033)	–	(9,805,033)
	(133,953,035)	–	–	(133,953,035)
	216,412,964	(18,876,386)	(201,891,287)	(4,354,709)
	(13,626,745)	(2,737,320)	16,364,065	–
	62,960,068	(108,159)	(62,851,909)	–
	(15,919,598)	13,380,685	3,158,459	619,546
	63,229,955	5,331,866	–	68,561,821
	(1,837,012)	–	–	(1,837,012)
	177,266,597	(12,814,347)	(165,176,083)	(723,833)
	9,139,539	–	(21,087,181)	(11,947,642)
	(168,037)	–	–	(168,037)
	186,238,099	(12,814,347)	(186,263,264)	(12,839,512)
	(216,839,290)	–	–	(216,839,290)
	58,219,821	–	–	58,219,821
	(158,619,469)	–	–	(158,619,469)
	(155,439,420)	(58,322,154)	(397,290,574)	(611,052,148)
	(225,220,930)	(53,908,745)	(348,797,831)	(627,927,506)
	69,781,510	(4,413,409)	(48,492,743)	16,875,358
	(155,439,420)	(58,322,154)	(397,290,574)	(611,052,148)

(ii) Life and Health**Reinsurance contracts****Analysis by remaining coverage and incurred claims**

	31 December 2025					
	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	(130,589)	228,685	23,278,419	2,019,500	25,396,015	
Opening assets	(165,309)	197,620	(1,459,036)	112,175	(1,314,550)	
Net opening balance	(295,898)	426,305	21,819,383	2,131,675	24,081,465	
Changes in the statement of income						
Reinsurance revenue	(70,745,658)	–	–	–	(70,745,658)	
Reinsurance service expenses						
Incurred claims and other reinsurance service expenses	–	(781,025)	56,709,857	1,083,028	57,011,860	
Amortisation of insurance acquisition cash flows	1,752,609	–	–	–	1,752,609	
Losses and reversals of losses on onerous contracts, net	–	827,204	–	–	827,204	
Adjustments to liabilities for incurred claims	–	–	2,001,728	(504,272)	1,497,456	
	1,752,609	46,179	58,711,585	578,756	61,089,129	
Investment components	(4,475)	–	4,475	–	–	
Reinsurance service result – Gross	(68,997,524)	46,179	58,716,060	578,756	(9,656,529)	
Net finance (income)/expenses from reinsurance contracts	(1,510,940)	79,669	5,405,617	–	3,974,346	
Effect of movement in exchange rates	(17,056)	–	79,547	–	62,491	
Total changes in the statement of income	(70,525,520)	125,848	64,201,224	578,756	(5,619,692)	
Cash flows						
Premiums, net of ceding commission, received	15,610,700	–	(1,605,098)	–	14,005,602	
Claims and other reinsurance service expenses paid	–	–	(6,581,287)	–	(6,581,287)	
Reinsurance acquisition cash flows	(1,590,588)	–	–	–	(1,590,588)	
	14,020,112	–	(8,186,385)	–	5,833,727	
Premiums expected to be received transferred from the LRC to LIC	59,038,325	–	(59,038,325)	–	–	
Net closing balance	2,237,019	552,153	18,795,897	2,710,431	24,295,500	
Closing liabilities	2,051,134	550,684	30,116,881	2,388,119	35,106,818	
Closing assets	185,885	1,469	(11,320,984)	322,312	(10,811,318)	
Net closing balance	2,237,019	552,153	18,795,897	2,710,431	24,295,500	

	31 December 2024				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	
	(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
	(48,198,156)	–	–	–	(48,198,156)
	–	(1,962,590)	38,617,445	680,354	37,335,209
	2,369,168	–	–	–	2,369,168
	–	401,849	–	–	401,849
	–	–	(3,299,839)	(316,809)	(3,616,648)
	2,369,168	(1,560,741)	35,317,606	363,545	36,489,578
	(3,890)	–	3,890	–	–
	(45,832,878)	(1,560,741)	35,321,496	363,545	(11,708,578)
	(2,267,083)	264,373	4,840,621	–	2,837,911
	(5,842)	–	161,630	–	155,788
	(48,105,803)	(1,296,368)	40,323,747	363,545	(8,714,879)
	17,086,002	–	18,837,702	–	35,923,704
	–	–	(28,943,098)	–	(28,943,098)
	(2,443,810)	–	–	–	(2,443,810)
	14,642,192	–	(10,105,396)	–	4,536,796
	33,923,365	–	(33,923,365)	–	–
	(295,898)	426,305	21,819,383	2,131,675	24,081,465
	(130,589)	228,685	23,278,419	2,019,500	25,396,015
	(165,309)	197,620	(1,459,036)	112,175	(1,314,550)
	(295,898)	426,305	21,819,383	2,131,675	24,081,465

Reinsurance contracts**Analysis by measurement component**

	31 December 2025				
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	
Reinsurance contracts					
Opening liabilities	22,169,586	2,323,044	903,385	25,396,015	
Opening assets	(1,484,331)	140,166	29,615	(1,314,550)	
Total reinsurance contract liabilities	20,685,255	2,463,210	933,000	24,081,465	
Changes in the statement of income					
Changes that relate to current services					
CSM recognised for the services provided	–	–	(7,148,845)	(7,148,845)	
Change in the risk adjustment for non-financial risk for the risk expired	–	41,319	–	41,319	
Experience adjustments	(4,873,663)	–	–	(4,873,663)	
Changes that relate to future services					
Contracts initially recognised in the period	(13,556,380)	1,449,587	12,704,463	597,670	
Changes in estimates that adjust the CSM	(226,886)	(90,525)	317,411	–	
Changes in estimates that result in losses and reversals of losses on onerous contracts, net	230,157	(623)	–	229,534	
Changes that relate to past services					
Adjustments to liabilities for incurred claims	2,001,728	(504,272)	–	1,497,456	
Reinsurance service result – Gross	(16,425,044)	895,486	5,873,029	(9,656,529)	
Net finance expenses from reinsurance contracts	3,194,538	–	779,808	3,974,346	
Effect of movement in exchange rates	62,491	–	–	62,491	
Total changes in the statement of income	(13,168,015)	895,486	6,652,837	(5,619,692)	
Cash flows					
Premiums, net of ceding commission, received	14,005,602	–	–	14,005,602	
Claims and other reinsurance service expenses paid	(6,581,287)	–	–	(6,581,287)	
Reinsurance acquisition cash flows	(1,590,588)	–	–	(1,590,588)	
	5,833,727	–	–	5,833,727	
Net closing balance	13,350,967	3,358,696	7,585,837	24,295,500	
Closing liabilities	26,246,218	2,869,543	5,991,057	35,106,818	
Closing assets	(12,895,251)	489,153	1,594,780	(10,811,318)	
Total reinsurance contract liabilities	13,350,967	3,358,696	7,585,837	24,295,500	

	31 December 2024			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	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
	–	–	(2,804,593)	(2,804,593)
	–	151,238	–	151,238
	(5,840,424)	–	–	(5,840,424)
	(4,355,120)	837,362	3,556,532	38,774
	802,087	(360,176)	(441,911)	–
	391,021	(27,946)	–	363,075
	(3,299,839)	(316,809)	–	(3,616,648)
	(12,302,275)	283,669	310,028	(11,708,578)
	2,601,169	–	236,742	2,837,911
	155,788	–	–	155,788
	(9,545,318)	283,669	546,770	(8,714,879)
	35,923,704	–	–	35,923,704
	(28,943,098)	–	–	(28,943,098)
	(2,443,810)	–	–	(2,443,810)
	4,536,796	–	–	4,536,796
	20,685,255	2,463,210	933,000	24,081,465
	22,169,586	2,323,044	903,385	25,396,015
	(1,484,331)	140,166	29,615	(1,314,550)
	20,685,255	2,463,210	933,000	24,081,465

Retrocession contracts**Analysis by remaining coverage and incurred claims**

	31 December 2025					
	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	1,898	(1,811)	57,342	(767)	56,662	
Net opening balance	1,898	(1,811)	57,342	(767)	56,662	
Allocation of retrocession premiums paid	273,892	–	–	–	273,892	
Income on initial recognition of onerous underlying reinsurance contracts	–	–	–	–	–	
Amounts recoverable from retrocessionaires						
Recoveries of incurred claims and other reinsurance services	–	–	–	–	–	
Recoveries and reversals of recoveries of losses on onerous underlying contracts, net	–	1,971	–	–	1,971	
Adjustments to assets for incurred claims	–	–	37,143	(15)	37,128	
	–	1,971	37,143	(15)	39,099	
Changes that relate to future service	–	58	–	–	58	
Effect of changes in the risk of retrocessionaires' non-performance	1	–	24	–	25	
Net expenses/(income) from retrocession contracts	273,893	2,029	37,167	(15)	313,074	
Net finance income from retrocession contracts	6,235	(218)	1,920	–	7,937	
Effect of movement in exchange rates	–	–	–	–	–	
Total changes in the statement of income	280,128	1,811	39,087	(15)	321,011	
Cash flows						
Premiums, net of ceding commissions, paid	(268,650)	–	–	–	(268,650)	
Recoveries from retrocession	–	–	–	–	–	
	(268,650)	–	–	–	(268,650)	
Premiums expected to be received transferred from the ARC to AIC	(12,217)	–	12,217	–	–	
Net closing balance	1,159	–	108,646	(782)	109,023	
Closing contract assets	–	–	–	–	–	
Closing contract liabilities	1,159	–	108,646	(782)	109,023	
Net closing balance	1,159	–	108,646	(782)	109,023	

	31 December 2024				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	
	–	–	–	–	–
	1,308	(5,562)	194,568	(661)	189,653
	1,308	(5,562)	194,568	(661)	189,653
	261,364	–	–	–	261,364
	–	(192)	–	–	(192)
	–	–	–	–	–
	–	6,672	–	–	6,672
	–	–	68,974	(106)	68,868
	–	6,672	68,974	(106)	75,540
	–	(1,577)	–	–	(1,577)
	–	–	135	–	135
	261,364	4,903	69,109	(106)	335,270
	8,168	(1,152)	11,289	–	18,305
	–	–	1	–	1
	269,532	3,751	80,399	(106)	353,576
	(268,942)	–	(217,625)	–	(486,567)
	–	–	–	–	–
	(268,942)	–	(217,625)	–	(486,567)
	–	–	–	–	–
	1,898	(1,811)	57,342	(767)	56,662
	–	–	–	–	–
	1,898	(1,811)	57,342	(767)	56,662
	1,898	(1,811)	57,342	(767)	56,662

Retrocession contracts**Analysis by measurement component**

	31 December 2025				
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	
Retrocession contracts					
Opening assets	–	–	–	–	
Opening liabilities	57,344	(767)	85	56,662	
Net opening balance	57,344	(767)	85	56,662	
Changes in the statement of income					
Changes that relate to current services					
CSM recognised for the services received	–	–	264,200	264,200	
Experience adjustments	11,663	–	–	11,663	
Changes that relate to future services					
Contracts initially recognised in the period	244,960	–	(244,960)	–	
Changes in recoveries of losses on onerous contracts that adjust the CSM	–	–	–	–	
Changes in estimates that adjust the CSM	74,336	–	(74,336)	–	
Changes in estimates that relate to losses and reversals of losses on onerous underlying reinsurance contracts, net	(67,418)	–	67,476	58	
Changes that relate to past services					
Adjustments to liabilities for incurred claims	37,143	(15)	–	37,128	
Effect of changes in the risk of reinsurers non-performance	25	–	–	25	
Net expenses/(income) from retrocession contracts	300,709	(15)	12,380	313,074	
Net finance (income)/expense from retrocession contracts	21,984	–	(14,047)	7,937	
Effect of movement in exchange rates	–	–	–	–	
Total changes in the statement of income	322,693	(15)	(1,667)	321,011	

	31 December 2023			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	-	-	-	-
	194,569	(661)	(4,255)	189,653
	194,569	(661)	(4,255)	189,653
	-	-	268,391	268,391
	(355)	-	-	(355)
	239,514	-	(239,706)	(192)
	-	-	-	-
	131,578	(71)	(131,507)	-
	(123,542)	71	121,894	(1,577)
	68,974	(106)	-	68,868
	135	-	-	135
	316,304	(106)	19,072	335,270
	33,037	-	(14,732)	18,305
	1	-	-	1
	349,342	(106)	4,340	353,576

	31 December 2025				
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total	
Cash flows					
Premiums, net of ceding commissions, paid	(268,650)	–	–	(268,650)	
Recoveries from retrocession	–	–	–	–	
	(268,650)	–	–	(268,650)	
Net closing balance	111,387	(782)	(1,582)	109,023	
Closing assets	–	–	–	–	
Closing liabilities	111,387	(782)	(1,582)	109,023	
Net closing balance	111,387	(782)	(1,582)	109,023	

B. Effect of contracts initially recognized in the year

(i) Property and Casualty

Reinsurance contracts	31 December 2025			31 December 2024		
	Profitable contracts issued	Onerous contracts issued	Total	Profitable contracts issued	Onerous contracts issued	Total
Claims and other directly attributable expenses	1,550,461,589	400,147,227	1,950,608,816	1,178,849,671	424,681,449	1,603,531,120
Reinsurance acquisition cash flows	18,410,615	3,789,035	22,199,650	12,264,161	2,616,323	14,880,484
Estimates of present value of cash outflows	1,568,872,204	403,936,262	1,972,808,466	1,191,113,832	427,297,772	1,618,411,604
Estimates of present value of cash inflows	(2,123,283,339)	(340,669,832)	(2,463,953,171)	(1,632,649,246)	(305,952,834)	(1,938,602,080)
Risk adjustment for non-financial risk	50,851,342	9,828,359	60,679,701	41,156,942	10,929,703	52,086,645
CSM	503,559,793	–	503,559,793	400,378,472	–	400,378,472
Losses recognised on initial recognition	–	73,094,789	73,094,789	–	132,274,641	132,274,641

	31 December 2023			
	Present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin	Total
	(486,567)	–	–	(486,567)
	–	–	–	–
	(486,567)	–	–	(486,567)
	57,344	(767)	85	56,662
	–	–	–	–
	57,344	(767)	85	56,662
	57,344	(767)	85	56,662

Reinsurance contracts	31 December 2025			31 December 2024		
	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	(556,298,307)	(72,313,606)	(628,611,913)	(408,463,288)	(33,520,484)	(441,983,772)
Estimates of present value of cash outflows	855,543,755	49,870,000	905,413,755	646,537,060	11,859,676	658,396,736
Risk adjustment for non-financial risk	(23,977,565)	(2,744,934)	(26,722,499)	(17,854,912)	(1,021,474)	(18,876,386)
Income recognized on initial recognition	6,242,872	2,104,215	8,347,087	1,940,468	2,414,241	4,354,709
CSM	281,510,755	(23,084,325)	258,426,430	222,159,328	(20,268,041)	201,891,287

(ii) Life and Health

Reinsurance contracts	31 December 2025			31 December 2024		
	Profitable contracts issued	Onerous contracts issued	Total	Profitable contracts issued	Onerous contracts issued	Total
Claims and other directly attributable expenses	71,341,595	2,961,873	74,303,468	31,025,100	9,163,677	40,188,777
Reinsurance acquisition cash flows	475,571	13,164	488,735	1,015,309	283,913	1,299,222
Estimates of present value of cash outflows	71,817,166	2,975,037	74,792,203	32,040,409	9,447,590	41,487,999
Estimates of present value of cash inflows	(85,931,352)	(2,417,231)	(88,348,583)	(36,273,533)	(9,569,586)	(45,843,119)
Risk adjustment for non-financial risk	1,409,723	39,864	1,449,587	676,592	160,770	837,362
CSM	12,704,463	–	12,704,463	3,556,532	–	3,556,532
Losses recognised on initial recognition	–	597,670	597,670	–	38,774	38,774

Reinsurance contracts	31 December 2025			31 December 2024		
	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	(1,230)	–	(1,230)	(599)	–	(599)
Estimates of present value of cash outflows	246,190	–	246,190	240,113	–	240,113
Risk adjustment for non-financial risk	–	–	–	–	–	–
Income recognized on initial recognition	–	–	–	192	–	192
CSM	244,960	–	244,960	239,706	–	239,706

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 2025						
	1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
Property and Casualty	145,976,125	65,268,348	56,264,540	56,898,233	59,670,882	394,232,009	778,310,137
Life and Health	6,691,364	466,172	165,514	181,557	80,951	279	7,585,837

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

Retrocession contracts	31 December 2025						
	1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
Property and Casualty	(73,526,194)	(42,150,999)	(41,587,929)	(42,072,853)	(43,497,094)	(267,694,797)	(510,529,866)
Life and Health	(1,582)	–	–	–	–	–	(1,582)
Net CSM	79,139,713	23,583,521	14,842,125	15,006,937	16,254,739	126,537,491	275,364,526

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
Net CSM	46,081,601	16,362,279	10,644,014	8,521,753	8,104,280	62,053,260	151,767,187

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	2016 and prior	2017	2018	
Estimates of undiscounted gross cumulative claims				
At end of underwriting year	2,298,053,687	640,902,272	528,000,952	
One year later	2,711,676,583	627,294,512	593,435,556	
Two years later	2,698,771,812	621,201,148	547,329,451	
Three years later	2,651,887,813	639,220,156	536,490,861	
Four years later	2,629,555,761	655,261,452	530,289,572	
Five years later	2,614,387,255	657,589,451	540,517,999	
Six years later	2,616,175,358	678,255,614	533,950,346	
Seven years later	2,596,843,835	671,533,191	544,249,563	
Eight years later	2,601,614,667	694,465,380	–	
Nine years later	2,612,570,000	–	–	
Current estimate of ultimate claims	2,612,570,000	694,465,380	544,249,563	
Cumulative payments to date	(2,546,472,904)	(663,017,785)	(492,560,996)	
Effect of discounting				
Effect of risk adjustment				
Payable claims and other expenses				
Reinstatement premium				
LIC others				
LRC claims				
Gross liabilities for incurred claims				

	2019	2020	2021	2022	2023	2024	2025	Total
	472,216,120	576,063,780	716,490,145	785,052,798	975,894,249	1,486,988,977	2,028,981,442	
	460,695,946	572,647,228	769,669,121	853,656,971	1,068,240,005	1,551,561,251	-	
	452,161,668	593,953,170	751,002,885	786,699,641	1,019,071,102	-	-	
	446,279,936	516,022,530	727,754,501	741,035,395	-	-	-	
	434,123,163	498,187,954	735,450,491	-	-	-	-	
	434,997,192	510,840,118	-	-	-	-	-	
	443,117,452	-	-	-	-	-	-	
	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	
	443,117,452	510,840,118	735,450,491	741,035,395	1,019,071,102	1,551,561,251	2,028,981,442	10,881,342,194
	(395,907,539)	(453,597,260)	(617,732,848)	(367,434,592)	(298,893,071)	(193,044,338)	(57,036,985)	(6,085,698,318)
								(255,562,970)
								107,639,892
								610,729,348
								(101,740,450)
								(1,827,717,356)
								(1,905,785,547)
								1,423,206,793

Net of retrocession

Underwriting year	2016 and prior	2017	2018	
Estimates of undiscounted net cumulative claims				
At end of underwriting year	2,011,401,753	431,699,944	430,538,167	
One year later	2,393,344,360	452,097,225	472,867,596	
Two years later	2,373,755,559	465,249,883	461,246,825	
Three years later	2,349,512,223	446,992,523	454,184,907	
Four years later	2,332,480,063	460,185,052	439,705,702	
Five years later	2,320,273,949	455,529,594	462,616,736	
Six years later	2,323,669,617	457,373,199	440,355,558	
Seven years later	2,305,663,508	449,320,239	457,527,612	
Eight years later	2,310,689,123	468,473,332	–	
Nine years later	2,320,017,970	–	–	
Current estimate of ultimate claims	2,320,017,970	468,473,332	457,527,612	
Cumulative payments to date	(2,262,601,279)	(440,982,899)	(416,229,927)	
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				

	2019	2020	2021	2022	2023	2024	2025	Total
	335,243,671	483,046,785	660,210,689	499,293,544	677,799,248	855,175,024	1,296,157,002	
	346,671,678	485,243,707	683,127,320	563,392,533	742,413,178	843,721,303	-	
	346,175,776	519,005,245	674,612,770	526,615,648	697,299,256	-	-	
	354,379,433	462,140,817	650,622,657	511,325,834	-	-	-	
	345,883,185	448,969,327	665,229,043	-	-	-	-	
	348,425,059	460,604,046	-	-	-	-	-	
	359,158,781	-	-	-	-	-	-	
	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	
	359,158,781	460,604,046	665,229,043	511,325,834	697,299,256	843,721,303	1,296,157,002	8,079,514,179
	(313,205,230)	(409,932,477)	(567,518,695)	(350,904,148)	(275,598,559)	(137,924,417)	(57,030,681)	(5,231,928,312)
								(188,458,289)
								72,676,055
								546,682,051
								(41,536,159)
								(1,592,163,438)
								(803,331,607)
								841,454,480
								1,423,206,793
								(841,454,480)
								581,752,313

8 PROPERTY AND EQUIPMENT, NET

	31 December 2025				
	Land	Building	Computers and equipment	Furniture and fixtures	
Cost:					
As at 1 January 2025	18,329,960	11,454,040	5,972,036	7,202,352	
Additions during the year	–	–	382,938	549,610	
Disposals/transfers during the year	–	–	–	–	
As at 31 December 2025	18,329,960	11,454,040	6,354,974	7,751,962	
Accumulated depreciation:					
As at 1 January 2025	–	3,789,088	4,947,953	5,313,135	
Charged for the year	–	347,093	625,630	430,279	
Disposals during the year	–	–	–	–	
As at 31 December 2025	–	4,136,181	5,573,583	5,743,414	
Net book value					
As at 31 December 2025	18,329,960	7,317,859	781,391	2,008,548	

	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 2025				
	Motor vehicles	Leasehold improvements	Work-in-progress	Right-of-use assets	Total
	1,144,711	982,013	205,317	692,419	45,982,848
	–	–	727,231	951,594	2,611,373
	(1,072,811)	–	(932,548)	(692,419)	(2,697,778)
	71,900	982,013	–	951,594	45,896,443
	1,096,780	667,183	–	615,484	16,429,623
	47,929	76,550	–	250,822	1,778,303
	(1,072,811)	–	–	(686,755)	(1,759,566)
	71,898	743,733	–	179,551	16,448,360
	2	238,280	–	772,043	29,448,083
	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

9 INTANGIBLE ASSETS

	31 December 2025		
	Software	Work-in-progress	Total
Cost			
As at 1 January 2025	18,764,666	716,912	19,481,578
Additions during the year	57,760	572,173	629,933
Transfers during the year	–	(57,760)	(57,760)
As at 31 December 2025	18,822,426	1,231,325	20,053,751
Accumulated depreciation			
As at 1 January 2025	13,319,047	–	13,319,047
Charge for the year	1,460,767	–	1,460,767
As at 31 December 2025	14,779,814	–	14,779,814
Net book value			
As at 31 December 2025	4,042,612	1,231,325	5,273,937

	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

10 PREPAID EXPENSES, DEPOSITS AND OTHER ASSETS

	Notes	31 December 2025	31 December 2024
Funds at Lloyds*		211,629,282	168,695,636
Prepaid expenses		3,818,519	4,021,037
Refundable deposit		1,311,675	5,804,955
Advances to employees		802,379	1,388,597
Others		1,060,062	910,721
		218,621,917	180,820,946

* These represent restricted funds placed with Custodian as required by Lloyd's. These earn an average interest of 4.37% (2024: 4.98%). These funds serve as collateral for participation in Lloyd's Syndicates for the underwriting years 2023, 2024, and 2025. Funds at Lloyds are neither past due nor impaired and are classified as Stage 1.

11 STATUTORY DEPOSIT

The Company has deposited an amount of ﷲ 169.81 million (2024: ﷲ 89.1 million) with a local bank, which has been rated "A1" by Moody's 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 the Insurance Authority. The accrued commission on the deposit and accrued commission income payable to Insurance Authority as at 31 December 2025 amounted to ﷲ 6.78 million.

During the period, the Company settled the accrued commission payable to Insurance Authority relating to previous statutory deposit. As at 31 December 2024, the accrued commission on the deposit was ﷲ 22.31 million, while the accrued commission income payable to Insurance Authority was ﷲ 29.05 million. The balance of ﷲ 6.73 million, maintained in a separate account and presented within cash and bank balances as restricted cash as at 31 December 2024, was also utilized towards the settlement of this obligation.

12 MARGIN LOAN PAYABLE

In 2020, the Company obtained a margin loan amounting to ﷲ 23,116,816. During 2021, additional drawdown was made amounting to ﷲ 33,680,203. Both of margin loans were fully collateralized against underlying bonds and sukuk. As at 31 December 2025, the fair value of collateral against margin loan payable amount to ﷲ 113,904,555 (2024: ﷲ 151,340,899).

As at 31 December 2025, the outstanding balance of margin loan payable is ﷲ 56,797,019 (2024: ﷲ 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 2025 was 3.49% (2024: 3.17%).

13 ACCRUED EXPENSES AND OTHER LIABILITIES

	31 December 2025	31 December 2024
Unallocated cash	23,461,951	11,966,367
Value added tax payable	14,218,677	5,154,039
Employees bonus	10,300,000	17,056,400
Withholding tax payable	5,002,434	2,546,944
Directors' remunerations	2,292,329	2,221,639
Professional fees payable	1,853,169	3,074,186
Meetings fees and expenses	1,060,000	1,225,000
Consultancy fees	–	1,296,993
Others	2,977,014	2,022,667
	61,165,574	46,564,235

14 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 2025	31 December 2024
Balance at beginning of the year	30,351,542	18,633,092
Current service cost	3,269,919	1,586,288
Interest cost	1,613,810	858,089
Amount recognized in income statement	4,883,729	2,444,377
Re-measurement (gain)/loss recognized in other comprehensive income	(2,554,461)	12,889,711
Benefits paid during the year	(2,547,772)	(3,615,638)
Balance at the end of the year	30,133,038	30,351,542

Principal actuarial assumptions

The principal actuarial assumptions used are as follows:

	31 December 2025	31 December 2024
Salary growth rate	8%	8%
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	5.10%	5.55%

Assumption on withdrawal rates are as follows:

Employees' age	31 December 2025 (%)	31 December 2024 (%)
20-35	20	20
35-40	7	7
40-45	7	7
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 2025		31 December 2024	
	Increase	Decrease	Increase	Decrease
Salary growth (0.5% movement)	2,176,588	(2,000,037)	2,220,126	(2,041,595)
Mortality rates (10% movement)	(64,793)	79,813	(98,017)	78,853
Discount rate (0.5% movement)	(2,025,818)	2,228,826	(2,019,116)	2,216,797
Withdrawal rate (50% movement)	(1,623,475)	1,374,187	(1,975,529)	1,678,857

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.

15 PROVISION FOR ZAKAT AND TAX

(a) Zakat

Zakat charge for the year of ﷻ 46,380,653 (2024: ﷻ 29,668,654) is based on the following:

	31 December 2025	31 December 2024
Zakat base	1,804,367,429	1,142,462,437
Zakat provision for the year	46,380,652	29,668,654

(b) Income tax

Income tax for the year of ﷻ 481,293 (2024: ﷻ 1,235,577) is based on the following:

	31 December 2025	31 December 2024
Net income for the year	190,635,451	505,715,873
Adjusted profit	207,143,598	541,390,124
Portion of net taxable income for non-Saudi shareholders 0.28% (2024: 0.39%)	580,002	2,111,421
Non-GCC share in losses carried forward up to 25% of their share from the portion of taxable income	(145,001)	(527,855)
KSA operations' income tax base	435,001	1,583,566
Labuan branch income tax base	13,143,058	30,628,814
Income tax provision for the year – KSA Operations	87,000	316,713
Income tax provision for the year – Labuan branch	394,293	918,864
VAT expense (Refer note below)	3,729,079	-
Tax charge for the year	4,210,372	1,235,577

(c) The movement of the provision for Zakat and income tax is as follows:

	31 December 2025	31 December 2024
Opening balance	41,671,425	41,548,376
Income tax provision for the year	481,293	1,235,577
Zakat provision for the year	46,380,652	29,668,654
Paid during the year	(21,222,398)	(30,781,182)
Closing balance	67,310,972	41,671,425

Status of Zakat and Tax assessment

The Company has filed its tax/Zakat returns for the year ended 31 December 2024 and obtained the final Zakat certificate up to 2024. However, it is ZATCA’s discretion to issue further assessments for 2022, 2023 and 2024. In October 2021, the ZATCA issued assessments for the years 2019 and 2020 with additional zakat and income tax liability amounting to ﷲ 3.1 million and ﷲ 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. 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, 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 zakat provision for the years 2021 and 2022 amounting to ﷲ 4.6 million and ﷲ 6.3 million, respectively against non-deduction of deferred acquisition costs and excess of loss premiums from zakat base.

In October 2025, ZATCA issued the zakat and income tax assessments for the years ended 31 December 2021 and 2022 with additional liabilities amounting to ﷲ 6.06 million and ﷲ 8.03 million, respectively. ZATCA has not allowed the claim of investments in government Sukuks amounting to ﷲ 72.89 million from the zakat base which has resulted in an increase in zakat liability by ﷲ 1.9 million for the year 2021. ZATCA requested the Company to submit a zakat refund request relating to the investment in government sukuks after finalizing the assessment. The Company has filed an appeal against the assessment with ZATCA, awaiting ZATCA decision.

Status of VAT assessment
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 ﷲ 3.7 million. ZATCA issued a final assessment of ﷲ 3.7 million. While the Company intends to object to the assessment and escalate the matter to the GSTCC Level 2, it has reassessed the recoverability of the deposit in light of the circumstances of the case and the outcome of similar case for tax year 2020. Accordingly, the Company has expensed the VAT deposit previously recorded under prepaid expenses, deposits and other assets during the period.

16 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 ﷲ 1,698 million at 31 December 2025 (2024: ﷲ 891 million) consisting of 169.8 million shares (2024: 89.1 million shares) of SR 10 each.

During 2024, the Board of Directors had 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 ﷲ 10 per share, at an offer price of ﷲ 16 per share and with a total offer value of 427,680,000 which was fully subscribed by the Public Investment Fund (PIF), a sovereign wealth fund of the Kingdom of Saudi Arabia. An application for the increase was approved by the CMA on 25 November 2024 (corresponding to 23/05/1446H). The Extraordinary General Assembly (EGM) approved the issue of shares on 24 December 2024 (corresponding to 23/06/ 1446H) to increase the Company’s share capital. Consequently, all relevant regulatory formalities were completed during the period.

→	OVERVIEW
←	BUSINESS CONTEXT, STRATEGY, AND PERFORMANCE
→	SUSTAINABILITY REPORT
	CORPORATE GOVERNANCE
	OPERATING PERFORMANCE
	ANNEXES

The Company incurred incremental transaction costs amounting to ﷲ 8.7 million in relation to the issue of shares and is included in “Share Premium” as of 31 December 2025.

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 was 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.

On 9 October 2025, the capital increase related to bonus shares was approved by the shareholders’ in the Extraordinary General Assembly. Shareholding structure of the Company is as below.

	31 December 2025		
	Issued & Paid up		
	No. of shares	Value per share	ﷲ
Public Investment Fund (PIF)	38,609,700	10	386,097,000
Treasury shares	2,500,000	10	25,000,000
General public	128,700,300	10	1,287,003,000
	169,810,000	10	1,698,100,000

	31 December 2024		
	Issued & Paid up		
	No. of shares	Value per share	ﷲ
General public	89,100,000	10	891,000,000
	89,100,000	10	891,000,000

17 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.

18 SHARE BASED PAYMENT RESERVE

The Company’s Long-Term Incentive Plan (LTIP), approved by the Board on 17 November 2024 and ratified by shareholders on 9 October 2025, grants equity-settled awards to eligible employees to support retention and align interests with long-term shareholder value. The LTIP follows a three-year performance cycle (1 January 2024 to 31 December 2026) with vesting in two tranches (Q1-2027 and Q1-2028), which depends on time and Company-wide performance targets. For the year ended 31 December 2025, the Company recognized a share-based payment expense of ﷲ 11,117,647 in the financial statements.

19 REINSURANCE REVENUE

	31 December 2025			31 December 2024		
	P&C	L&H	Total	P&C	L&H	Total
Amounts relating to changes in LRC						
CSM recognized for services provided	315,280,140	7,148,845	322,428,985	225,625,241	2,804,593	228,429,834
Change in risk adjustment for non-financial risk for the risk expired after loss component allocation	32,117,646	1,027,528	33,145,174	10,374,519	524,999	10,899,518
Expected incurred claims and other directly attributable expenses	1,102,867,331	55,272,113	1,158,139,444	753,130,537	40,456,349	793,586,886
Experience adjustments – arising from premiums received in the period other than those that relate to future services	95,014,220	5,544,563	100,558,783	55,653,502	2,043,047	57,696,549
Reinsurance acquisition cash flows recovery	56,473,615	1,752,609	58,226,224	36,984,305	2,369,168	39,353,473
	1,601,752,952	70,745,658	1,672,498,610	1,081,768,104	48,198,156	1,129,966,260

20 REINSURANCE SERVICE EXPENSES

	31 December 2025			31 December 2024		
	P&C	L&H	Total	P&C	L&H	Total
Incurred claims and other directly attributable expenses	(1,394,888,448)	(57,011,860)	(1,451,900,308)	(908,171,135)	(37,335,209)	(945,506,344)
Changes that relate to past service – adjustments to the LIC	117,345,448	(1,497,456)	115,847,992	106,693,643	3,616,648	110,310,291
Losses on onerous contracts and reversal of those losses	(73,036,122)	(827,204)	(73,863,326)	(112,871,048)	(401,849)	(113,272,897)
Reinsurance acquisition cash flows amortisation	(56,473,615)	(1,752,609)	(58,226,224)	(36,984,305)	(2,369,168)	(39,353,473)
	(1,407,052,737)	(61,089,129)	(1,468,141,866)	(951,332,845)	(36,489,578)	(987,822,423)

21 NET INCOME FROM RETROCESSION CONTRACTS

	31 December 2025			31 December 2024		
	P&C	L&H	Total	P&C	L&H	Total
Allocation of retrocession premiums paid	(488,536,078)	(273,892)	(488,809,970)	(206,515,160)	(261,364)	(206,776,524)
Income on initial recognition of onerous underlying reinsurance contracts	8,347,087	–	8,347,087	4,354,709	192	4,354,901
Recoveries of incurred claims and other reinsurance services	456,675,254	–	456,675,254	276,538,355	–	276,538,355
Recoveries and reversals of recoveries of losses on onerous underlying contracts, net	(6,146,637)	(1,971)	(6,148,608)	(6,309,716)	(6,672)	(6,316,388)
Adjustments to assets for incurred claims	(7,370,007)	(37,128)	(7,407,135)	(68,561,821)	(68,868)	(68,630,689)
Changes that relate to future service	3,701,033	(58)	3,700,975	(619,546)	1,577	(617,969)
Effect of changes in the risk of retrocessionaires' non-performance	12,295	(25)	12,270	1,837,012	(135)	1,836,877
	(33,317,053)	(313,074)	(33,630,127)	723,833	(335,270)	388,563

22 NET FINANCE EXPENSE FROM REINSURANCE CONTRACTS ISSUED

	31 December 2025			31 December 2024		
	P&C	L&H	Total	P&C	L&H	Total
Interest accreted	(98,066,966)	(3,529,915)	(101,596,881)	(65,410,563)	(3,112,257)	(68,522,820)
Effect of changes in interest rates and other financial assumptions	(21,367,849)	(426,373)	(21,794,222)	7,245,619	315,339	7,560,958
Effects of measuring changes in estimates at current rates and adjusting the CSM at locked-in rates	(741,359)	(18,058)	(759,417)	(570,537)	(40,993)	(611,530)
Foreign exchange differences	11,483,351	(62,491)	11,420,860	12,202,910	(155,788)	12,047,122
	(108,692,823)	(4,036,837)	(112,729,660)	(46,532,571)	(2,993,699)	(49,526,270)

23 NET FINANCE INCOME FROM RETROCESSION CONTRACTS HELD

	31 December 2025			31 December 2024		
	P&C	L&H	Total	P&C	L&H	Total
Interest accreted	36,489,762	(7,614)	36,482,148	16,535,667	(18,601)	16,517,066
Effect of changes in interest rates and other financial assumptions	2,369,971	(305)	2,369,666	(984,980)	296	(984,684)
Effect of measuring changes in estimates at current rates and adjusting the CSM at locked-in rates	10,680,941	(18)	10,680,923	(3,603,045)	–	(3,603,045)
Foreign exchange differences	437,199	–	437,199	168,037	(1)	168,036
	49,977,873	(7,937)	49,969,936	12,115,679	(18,306)	12,097,373

24 INVESTMENT INCOME FROM FINANCIAL INVESTMENTS MEASURED AT AMORTIZED COST

	31 December 2025	31 December 2024
Special commission income from time deposits	52,793,797	50,053,523
Special commission income from debt securities	43,379,675	18,186,666
	96,173,472	68,240,189

25 NET INCOME FROM FINANCIAL INVESTMENTS MEASURED AT FAIR VALUE

	31 December 2025	31 December 2024
Realized gains on investments measured at FVIS	9,458,698	15,946,925
Unrealized gains/(losses) on investments measured at FVIS	14,571,708	(7,410)
Loss on forward contract	–	(10,637,972)
Income from Tier 1 Sukuk	13,488,425	8,590,914
Dividend income	633,298	522,095
	38,152,129	14,414,552

26 OTHER INCOME

	31 December 2025	31 December 2024
Special commission income from Funds at Lloyds (FAL)	7,375,892	7,925,026
Others	1,341,408	852,630
	8,717,300	8,777,656

27 OTHER OPERATING EXPENSES

	31 December 2025	31 December 2024
Salaries and related benefits	67,165,719	56,974,230
Income attributed to reinsurance operations	12,290,642	12,331,223
Share-based payment expense	11,117,647	–
Legal and professional fees	10,194,364	9,887,321
Computer expenses	5,943,097	1,783,646
Foreign exchange loss, net	4,684,860	7,113,828
Board of directors' remunerations, meetings fees and expenses	4,498,477	4,586,261
Depreciation and amortization	3,239,070	3,340,087
Licensing Fees	3,028,551	2,658,173
Advertising	2,844,858	1,463,538
Consulting fees	1,893,631	2,759,094
Travelling expenses	1,640,752	1,750,714
Rent and premises expenses	1,363,222	907,976
Withholding tax	403,172	495,984
Others	3,840,669	4,019,490
	134,148,731	110,071,565
Amount attributed to reinsurance contracts	(82,284,385)	(61,016,591)
Other operating expenses	51,864,346	49,054,974

27.1 Auditors' remuneration for the statutory audit of the Company's financial statements for the year ended 31 December 2025 amounted to ﷲ 2.17 million (2024: ﷲ 2.805 million). Auditors' remuneration for the review of the Company's interim financial statements during the year ended 31 December 2025 amounted to ﷲ 1.04 million (2024: ﷲ 0.875 million). Auditors' remuneration for the non-audit services during the year ended 31 December 2025 amounted to ﷲ 0.142 million (2024: ﷲ 0.144 million).

28 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended 31 December 2025 and 31 December 2024 have been calculated by dividing net income after zakat and tax attributable to the shareholders for the period by the weighted average number of ordinary shares issued and outstanding at the end of the period. Basic and diluted earnings per share are same as there are no instruments which will dilute the basic earnings per share.

During the year, the Company’s shareholders approved a bonus share issue of 46.6% of the share capital, of which 2.16 % was allocated to employees under a share-based payment plan. To calculate earnings per share, the weighted average number of shares have been adjusted retrospectively to reflect only the 44.44 % bonus issue applicable to ordinary shareholders. The element of increase in share capital as follows:

	31 December 2025	31 December 2024
Issued ordinary shares opening balance as at 1 January	115,830,000	89,100,000
Effect of bonus issue	51,480,000	39,600,000
Weighted average outstanding number of ordinary shares	167,310,000	128,700,000
Net income for the period after zakat and tax	140,044,427	474,811,642
Basic and diluted earnings per share (Restated)	0.84	3.69

29 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors, key management personnel of the Company as well as entities controlled, jointly controlled or significantly influenced by such parties. The Company has conducted these transactions in the normal course of business. Details of transactions and balances with related parties during the period are disclosed below.

Related party	Nature of transactions	Amount of transactions for the year ended		Balance as at	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
Board of Directors	– Remunerations, meetings fees and expenses	4,498,477	4,586,261	2,987,329	3,161,639
Key management Personnel	– Short term benefits	13,634,880	15,070,304	3,047,789	5,399,594
	– End of service benefits	1,563,438	2,139,871	5,946,278	5,263,578
Related entities of major shareholder*	– Time deposits	–	–	520,614,241	–
	– Debt securities	–	–	37,500,000	–
	– Tier 1 Sukuk	–	–	164,974,828	–
	– Bank balances	–	–	1,497,545	–
	– Special commission income from time deposits	30,245,133	–	–	–
	– Special commission income from debt securities	1,458,750	–	–	–
	– Income from Tier 1 Sukuk	5,004,898	–	–	–
	– Payments made for miscellaneous services	1,348,549	–	–	–

*There were no major shareholders of the Company as at 31 December 2024.

30 SEGMENTAL INFORMATION

Segment results do not include investment income from financial investments measured at amortized cost, net income from financial investments measured at fair value, investment management expenses, net expected credit losses, other income, special commission expense, 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, 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 2025				31 December 2024			
	Property & Casualty	Life & Health	Unallocated	Total	Property & Casualty	Life & Health	Unallocated	Total
Assets								
Cash and bank balances	–	–	94,714,884	94,714,884	–	–	73,464,920	73,464,920
Financial investments measured at FVIS	–	–	682,978,985	682,978,985	–	–	94,824,666	94,824,666
Financial investments measured at FVOCI	–	–	546,199,704	546,199,704	–	–	285,914,854	285,914,854
Financial investments measured at amortized cost	–	–	1,854,984,492	1,854,984,492	–	–	1,916,208,117	1,916,208,117
Reinsurance contract assets	109,462,169	10,811,318	--	120,273,487	90,813,930	1,314,550	–	92,128,480
Retrocession contract assets	907,624,519	–	--	907,624,519	627,927,506	–	–	627,927,506
Prepaid expenses, deposits and other assets	–	–	218,621,917	218,621,917	–	–	180,820,946	180,820,946
Property and equipment, net	–	–	29,448,083	29,448,083	–	–	29,553,225	29,553,225
Intangible assets	–	–	5,273,937	5,273,937	–	–	6,162,531	6,162,531
Statutory deposit	–	–	169,810,000	169,810,000	–	–	89,100,000	89,100,000
Accrued income on statutory deposit	–	–	6,784,707	6,784,707	–	–	22,314,278	22,314,278
Total assets	1,017,086,688	10,811,318	3,608,816,709	4,636,714,715	718,741,436	1,314,550	2,698,363,537	3,418,419,523

	31 December 2025				31 December 2024			
	Property & Casualty	Life & Health	Unallocated	Total	Property & Casualty	Life & Health	Unallocated	Total
Liabilities								
Margin loan payable	-	-	56,797,019	56,797,019	-	-	56,797,019	56,797,019
Reinsurance contract liabilities	2,154,411,138	35,106,818	-	2,189,517,956	1,559,745,794	25,396,015	-	1,585,141,809
Retrocession contract liabilities	33,279,074	109,023	-	33,388,097	16,875,358	56,662	-	16,932,020
Accrued expenses and other liabilities	-	-	61,165,574	61,165,574	-	-	46,564,235	46,564,235
Provision for employees' end of service benefits	-	-	30,133,038	30,133,038	-	-	30,351,542	30,351,542
Provision for zakat and tax	-	-	67,310,972	67,310,972	-	-	41,671,425	41,671,425
Accrued commission income payable to Insurance Authority	-	-	6,784,707	6,784,707	-	-	29,046,147	29,046,147
Total liabilities	2,187,690,212	35,215,841	222,191,310	2,445,097,363	1,576,621,152	25,452,677	204,430,368	1,806,504,197

	31 December 2025			31 December 2024		
	Property & Casualty	Life & Health	Total	Property & Casualty	Life & Health	Total
Reinsurance revenue	1,601,752,952	70,745,658	1,672,498,610	1,081,768,104	48,198,156	1,129,966,260
Reinsurance service expenses	(1,407,052,737)	(61,089,129)	(1,468,141,866)	(951,332,845)	(36,489,578)	(987,822,423)
Net (expense)/income from retrocession contracts held	(33,317,053)	(313,074)	(33,630,127)	723,833	(335,270)	388,563
Reinsurance service results	161,383,162	9,343,455	170,726,617	131,159,092	11,373,308	142,532,400
Net finance expense from reinsurance contracts	(108,692,823)	(4,036,837)	(112,729,660)	(46,532,571)	(2,993,699)	(49,526,270)
Net finance income from retrocession contracts	49,977,873	(7,937)	49,969,936	12,115,679	(18,306)	12,097,373
Net reinsurance finance expense	(58,714,950)	(4,044,774)	(62,759,724)	(34,416,892)	(3,012,005)	(37,428,897)
Other non-reinsurance items						
Investment income from financial investments measured at amortized cost				96,173,472		68,240,189
Net income from financial investments measured at fair value				38,152,129		14,414,552
Gain on sale of an equity accounted investee				–		365,949,388
Investment management expenses				(6,224,441)		(9,619,291)
Reversal for expected credit losses				(360,769)		1,196,586
Other income				8,717,300		8,777,656
Special commission expense				(1,924,787)		(1,802,326)
Other operating expenses				(51,864,346)		(49,054,974)
Share of profit of equity accounted investee				–		2,510,590
Net income for the period before zakat and tax				190,635,451		505,715,873

The details of gross written premiums are as follows:

	31 December 2025	31 December 2024
Property & Casualty	2,836,925,737	2,322,132,113
Life & Health	90,815,692	37,709,798
Total gross written premium	2,927,741,429	2,359,841,911

30.2 Geographical segments

	31 December 2025			31 December 2024		
	Local	International	Total	Local	International	Total
Assets						
Cash and bank balances	92,605,228	2,109,656	94,714,884	63,747,573	9,717,347	73,464,920
Financial investments measured at FVIS	682,978,985	–	682,978,985	94,824,666	–	94,824,666
Financial investments measured at FVOCI	542,462,829	3,736,875	546,199,704	282,228,979	3,685,875	285,914,854
Financial investments measured at amortized cost	1,807,488,985	47,495,507	1,854,984,492	1,827,235,121	88,972,996	1,916,208,117
Reinsurance contract assets	43,837,115	76,436,372	120,273,487	8,887,015	83,241,465	92,128,480
Retrocession contract assets	641,068,362	266,556,157	907,624,519	391,463,472	236,464,034	627,927,506
Prepaid expenses, deposits and other assets	6,992,635	211,629,282	218,621,917	12,125,310	168,695,636	180,820,946
Property and equipment, net	29,448,083	–	29,448,083	29,553,225	–	29,553,225
Intangible assets	5,273,937	–	5,273,937	6,162,531	–	6,162,531
Statutory deposit	169,810,000	–	169,810,000	89,100,000	–	89,100,000
Accrued income on statutory deposit	6,784,707	–	6,784,707	22,314,278	–	22,314,278
Total assets	4,028,750,866	607,963,849	4,636,714,715	2,827,642,170	590,777,353	3,418,419,523

	31 December 2025			31 December 2024		
	Local	International	Total	Local	International	Total
Liabilities						
Margin loan payable	–	56,797,019	56,797,019	–	56,797,019	56,797,019
Reinsurance contract liabilities	1,165,427,186	1,024,090,770	2,189,517,956	703,646,506	881,495,303	1,585,141,809
Retrocession contract liabilities	31,291,407	2,096,690	33,388,097	16,920,541	11,479	16,932,020
Accrued expenses and other liabilities	61,165,574	–	61,165,574	46,564,235	–	46,564,235
Provision for employees' end of service benefits	30,133,038	–	30,133,038	30,351,542	–	30,351,542
Provision for zakat and tax	67,310,972	–	67,310,972	41,671,425	–	41,671,425
Accrued commission income payable to Insurance Authority	6,784,707	–	6,784,707	29,046,147	–	29,046,147
Total liabilities	1,362,112,884	1,082,984,479	2,445,097,363	868,200,396	938,303,801	1,806,504,197
Reinsurance revenue	900,336,832	772,161,778	1,672,498,610	479,877,407	650,088,853	1,129,966,260
Reinsurance service expenses	(786,354,958)	(681,786,908)	(1,468,141,866)	(251,222,724)	(736,599,699)	(987,822,423)
Net (expense)/income from retrocession contracts held	(7,748,458)	(25,881,669)	(33,630,127)	(118,074,097)	118,462,660	388,563
Reinsurance service results	106,233,416	64,493,201	170,726,617	110,580,586	31,951,814	142,532,400
Net finance expense from reinsurance contracts	(73,098,255)	(39,631,405)	(112,729,660)	(24,558,919)	(24,967,351)	(49,526,270)
Net finance income from retrocession contracts	37,943,254	12,026,682	49,969,936	10,100,327	1,997,046	12,097,373
Net reinsurance finance expense	(35,155,001)	(27,604,723)	(62,759,724)	(14,458,592)	(22,970,305)	(37,428,897)

	31 December 2025			31 December 2024		
	Local	International	Total	Local	International	Total
Other non-reinsurance items						
Investment income from financial investments measured at amortized cost			96,173,472			68,240,189
Net income from financial investments measured at fair value			38,152,129			14,414,552
Gain on sale of an equity accounted investee			-			365,949,388
Investment management expenses			(6,224,441)			(9,619,291)
Reversal for expected credit losses			(360,769)			1,196,586
Other income			8,717,300			8,777,656
Special commission expense			(1,924,787)			(1,802,326)
Other operating expenses			(51,864,346)			(49,054,974)
Share of profit of equity accounted investee			-			2,510,590
Net income for the period before zakat and tax			190,635,451			505,715,873

The details of gross written premiums are as follows:

	31 December 2025	31 December 2024
Local	1,878,484,863	1,379,373,094
International	1,049,256,566	980,468,817
Total gross written premium	2,927,741,429	2,359,841,911

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 2025	
	Amount ﷲ	Percentage %
Kingdom of Saudi Arabia	511,813,116	42.83
Asia	607,247,094	50.82
Other Middle Eastern Countries	146,302,016	12.24
Africa	(4,665,610)	(0.39)
Others	(65,688,569)	(5.50)
	1,195,008,047	100.00

	As at 31 December 2024	
	Amount ﷲ	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

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 2025	Contract liabilities		Profit or loss		Equity	
	Gross	Net	Gross	Net	Gross	Net
Expenses (+5%)	2,357,477	2,339,555	(2,357,477)	(2,339,555)	(2,357,477)	(2,339,555)
Expenses (-5%)	(2,355,617)	(2,337,842)	2,355,617	2,337,842	2,355,617	2,337,842
Yield curve (+0.5%)	(2,363,833)	(1,245,953)	2,363,833	1,245,953	2,363,833	1,245,953
Yield curve (-0.5%)	2,367,564	1,247,427	(2,367,564)	(1,247,427)	(2,367,564)	(1,247,427)
Loss reserves (+5%)	160,387,342	119,544,082	(160,387,342)	(119,544,082)	(160,387,342)	(119,544,082)
Loss reserves (-5%)	(160,387,313)	(119,544,058)	160,387,313	119,544,058	160,387,313	119,544,058

31 December 2024	Contract liabilities		Profit or loss		Equity	
	Gross	Net	Gross	Net	Gross	Net
Expenses (+5%)	1,609,412	1,604,674	(1,609,412)	(1,604,674)	(1,609,412)	(1,604,674)
Expenses (-5%)	(1,609,402)	(1,604,664)	1,609,402	1,604,664	1,609,402	1,604,664
Yield curve (+0.5%)	(1,476,681)	(667,940)	1,476,681	667,940	1,476,681	667,940
Yield curve (-0.5%)	1,479,238	668,686	(1,479,238)	(668,686)	(1,479,238)	(668,686)
Loss reserves (+5%)	115,293,070	95,165,091	(115,293,070)	(95,165,091)	(115,293,070)	(95,165,091)
Loss reserves (-5%)	(115,293,063)	(95,165,083)	115,293,063	95,165,083	115,293,063	95,165,083

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:

- Minimum acceptable credit rating by recognized rating agencies that is not lower than BBB or equivalent.
- Reputation of particular retrocessionaire companies.
- 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.

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 2025, the maximum exposure to credit risk from reinsurance contracts is ﷲ 167.11 million (2024: ﷲ 65.08 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 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 2025	31 December 2024
Bank balances	94,674,594	73,424,630
Financial investments at amortized cost	1,854,984,492	1,916,208,117
Reinsurance contract assets	120,273,487	92,128,480
Retrocession contract assets	907,624,519	627,927,506
Other assets	213,491,723	170,994,954
	3,191,048,815	2,880,683,687

The credit quality for investments at amortized cost are as follows:

Credit quality	Credit Rating Agency	Financial Instruments	31 December 2025	31 December 2024
A+	Moody's/Fitch	Bonds/Sukuks/Time Deposits	781,294,582	1,005,678,999
A			61,980,447	453,634,772
A-			965,124,995	369,457,116
BBB-			7,481,099	42,512,736
B+			38,178,549	43,928,546
D			924,820	995,948
			1,854,984,492	1,916,208,117

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 2025						
	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	235,608,880	101,373,661	87,064,939	88,035,022	92,157,874	608,241,968	1,212,482,344
Retrocession contract liabilities	8,196,296	4,701,487	4,638,876	4,690,103	4,849,475	29,842,487	56,918,724
Accrued expenses and other liabilities	41,944,463	–	–	–	–	–	41,944,463
Accrued insurance commission payable to Insurance Authority	6,784,707	–	–	–	–	–	6,784,707
	292,534,346	106,075,148	91,703,815	92,725,125	97,007,349	694,881,474	1,374,927,257

	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	213,448,244	73,562,356	64,576,230	62,283,473	63,281,931	447,346,399	924,498,633
Retrocession contract liabilities	14,184,271	4,804,913	4,867,768	5,007,446	5,182,043	35,792,413	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
	295,541,914	78,367,269	69,443,998	67,290,919	68,463,974	539,935,831	1,119,043,905

Maturity analysis on expected maturity bases

	31 December 2025		
	Current	Non-current	Total
Assets			
Cash and bank balances	94,714,884	–	94,714,884
Financial investments at FVIS	682,978,985	–	682,978,985
Financial investments at FVOCI	45,881,400	500,318,304	546,199,704
Financial investments at amortized cost	422,334,555	1,432,649,937	1,854,984,492
Reinsurance contract assets	23,369,139	96,904,348	120,273,487
Retrocession contract assets	130,697,931	776,926,588	907,624,519
Other assets	1,862,441	211,629,282	213,491,723
	1,401,839,335	3,018,428,459	4,420,267,794
Liabilities			
Margin loan payable	–	56,797,019	56,797,019
Reinsurance contract liabilities	425,423,339	1,764,094,617	2,189,517,956
Retrocession contract liabilities	4,807,886	28,580,211	33,388,097
Accrued expenses and other liabilities	41,944,463	–	41,944,463
Accrued insurance commission payable to Insurance Authority	6,784,707	–	6,784,707
	478,960,395	1,849,471,847	2,328,432,242
Gap	922,878,940	1,168,956,612	2,091,835,552

	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

	31 December 2024		
	Current	Non-current	Total
	568,598,613	2,692,864,884	3,261,463,497
Liabilities			
Margin loan payable	–	56,797,019	56,797,019
Reinsurance contract liabilities	366,009,244	1,219,132,566	1,585,141,810
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
	437,357,536	1,289,422,712	1,726,780,248
Gap	131,241,077	1,403,442,172	1,534,683,249

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. Average duration of investments in bonds and sukuk portfolios as at 31 December 2025 is around 4.17 years (2024: 4.4 years). A hypothetical increase/decrease of 10 basis points in yield curve will entail decrease/increase in bond/sukuk portfolio values of investments by ﷲ 5.80 million as at 31 December 2025 (2024: ﷲ 5.34 million).

31.8 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 ﷲ 34.15 million (2024: ﷲ 4.74 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 ﷲ 27.31 million (2024: ﷲ 14.09 million).

31.9 Capital management risk

Capital requirements are set and regulated by the Insurance Authority. 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.

TThe 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 2025	31 December 2024
Total capital held	2,191,617,352	1,611,915,326
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 2025 and 31 December 2024.

32

FAIR VALUE

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 to sell the asset or transfer the liability takes place either:

- In the principal market of the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Determination of fair value and fair value hierarchy

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

- Level 1:** quoted prices in active markets for the same or identical instrument that an entity can access at the measurement date.
- Level 2:** quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data; and
- Level 3:** valuation techniques for which any significant input is not based on observable market data.

The following table shows the carrying amount of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value.

31 December 2025	31 December 2025			
	Level 1	Level 2	Level 3	Total
Financial investments at FVIS				
Money market funds	–	673,142,616	–	673,142,616
Investment funds	6,096,987	–	–	6,096,987
Equity securities	3,739,382	–	–	3,739,382
Financial investments at FVOCI				
Tier 1 Sukuk	–	546,199,704	–	546,199,704
Financial investments at amortized cost				
Time deposits	–	–	1,001,237,363	1,001,237,363
Debt securities	–	852,172,679	–	852,172,679
Total	9,836,369	2,071,514,999	1,001,237,363	3,082,588,731

31 December 2024	31 December 2024			
	Level 1	Level 2	Level 3	Total
Financial investments at FVIS				
Money market funds	–	86,193,233	–	86,193,233
Investment funds	7,607,587	–	–	7,607,587
Equity securities	1,023,846	–	–	1,023,846
Financial investments at FVOCI				
Tier 1 Sukuk	–	285,914,854	–	285,914,854
Financial investments at amortized cost				
Time deposits	–	–	997,282,720	997,282,720
Debt securities	–	919,340,018	–	919,340,018
Total	8,631,433	1,291,448,105	997,282,720	2,297,362,258

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 SUBSEQUENT EVENT

Subsequent to the reporting date, the Company confirmed the non-applicability of surplus distribution on reinsurance operations and accordingly completed updating the surplus distribution policy. The Company will cease accruing the surplus provision starting from Q1 2026 and will assess the treatment of accumulated surplus accordingly.

35 APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the Board of Directors on 8 Ramadan 1447H corresponding to 25 February 2025.

SUPPLEMENTARY INFORMATION

STATEMENT OF FINANCIAL POSITION

	31 December 2025			31 December 2024		
	Reinsurance operations	Shareholders' operations	Total	Reinsurance operations	Shareholders' operations	Total
Assets						
Cash and bank balances	84,405,030	10,309,854	94,714,884	53,102,318	20,362,602	73,464,920
Financial investments measured at FVIS	341,272,412	341,706,573	682,978,985	76,779,114	18,045,552	94,824,666
Financial investments measured at FVOCI	58,938,750	487,260,954	546,199,704	21,353,929	264,560,925	285,914,854
Financial investments measured at amortized cost	759,969,912	1,095,014,580	1,854,984,492	753,179,492	1,163,028,625	1,916,208,117
Reinsurance contract assets	120,273,487	–	120,273,487	92,128,480	–	92,128,480
Retrocession contract assets	907,624,519	–	907,624,519	627,927,506	–	627,927,506
Prepaid expenses, deposits and other assets	52,346,385	166,275,532	218,621,917	7,729,283	173,091,663	180,820,946
Property and equipment, net	3,380,530	26,067,553	29,448,083	2,960,826	26,592,399	29,553,225
Intangible assets, net	5,273,937	–	5,273,937	6,162,531	–	6,162,531
Statutory deposit	–	169,810,000	169,810,000	–	89,100,000	89,100,000
Accrued income on statutory deposit	–	6,784,707	6,784,707	–	22,314,278	22,314,278
Due from shareholders'/ reinsurance operations*	–	36,531,821	36,531,821	3,886,063	–	3,886,063
Total assets	2,333,484,962	2,339,761,574	4,673,246,536	1,645,209,542	1,777,096,044	3,422,305,586
Liabilities						
Margin loan payable	–	56,797,019	56,797,019	–	56,797,019	56,797,019
Reinsurance contract liabilities	2,189,517,956	–	2,189,517,956	1,585,141,809	–	1,585,141,809
Retrocession contract liabilities	33,388,097	–	33,388,097	16,932,020	–	16,932,020
Accrued expenses and other liabilities	50,377,689	10,787,885	61,165,574	33,358,667	13,205,568	46,564,235
Provision for employees' end of service benefits	30,133,038	–	30,133,038	30,351,542	–	30,351,542
Provision for zakat and tax	–	67,310,972	67,310,972	–	41,671,425	41,671,425
Accrued commission income payable to Insurance Authority	–	6,784,707	6,784,707	–	29,046,147	29,046,147
Due to reinsurance/ shareholders' operations*	36,531,821	–	36,531,821	–	3,886,063	3,886,063
Total liabilities	2,339,948,601	141,680,583	2,481,629,184	1,665,784,038	144,606,222	1,810,390,260

	31 December 2025			31 December 2024		
	Reinsurance operations	Shareholders' operations	Total	Reinsurance operations	Shareholders' operations	Total
Equity						
Share capital	–	1,698,100,000	1,698,100,000	–	891,000,000	891,000,000
Share premium	–	151,680,000	151,680,000	–	–	–
Statutory reserve	–	190,902,420	190,902,420	–	162,893,535	162,893,535
Retained earnings	–	182,529,825	182,529,825	–	585,294,283	585,294,283
Share-based payment reserve	11,117,647	–	11,117,647	–	–	–
Shares held for employees' long-term incentive plan	–	(25,000,000)	(25,000,000)	–	–	–
Other reserves	(17,581,286)	(131,254)	(17,712,540)	(20,574,496)	(6,697,996)	(27,272,492)
Total equity	(6,463,639)	2,198,080,991	2,191,617,352	(20,574,496)	1,632,489,822	1,611,915,326
Total liabilities and equity	2,333,484,962	2,339,761,574	4,673,246,536	1,645,209,542	1,777,096,044	3,422,305,586

*These items are not included in the statement of financial position.

STATEMENT OF INCOME

	For the year ended 31 December 2025			For the year ended 31 December 2024		
	Reinsurance operations	Shareholders' operations	Total	Reinsurance operations	Shareholders' operations	Total
Reinsurance service expenses	1,672,498,610	–	1,672,498,610	1,129,966,260	–	1,129,966,260
Reinsurance revenue	(1,468,141,866)	–	(1,468,141,866)	(987,822,423)	–	(987,822,423)
Net expenses from retrocession contracts	(33,630,127)	–	(33,630,127)	388,563	–	388,563
Reinsurance service result	170,726,617	–	170,726,617	142,532,400	–	142,532,400
Investment income from financial investments measured at amortized cost	43,129,092	53,044,380	96,173,472	32,807,097	35,433,092	68,240,189
Net income from financial investments measured at fair value	8,161,107	29,991,022	38,152,129	9,444,526	4,970,026	14,414,552
Gain on sale of investment in an equity accounted investee	–	–	–	–	365,949,388	365,949,388
Investment management expenses	(2,074,406)	(4,150,035)	(6,224,441)	(2,225,872)	(7,393,419)	(9,619,291)
(Charge)/reversal for expected credit losses	(63,645)	(297,124)	(360,769)	–	1,196,586	1,196,586
Net investment income	49,152,148	78,588,243	127,740,391	40,025,751	400,155,673	440,181,424
Finance expenses from reinsurance contracts issued	(112,729,660)	–	(112,729,660)	(49,526,270)	–	(49,526,270)
Finance income from retrocession contracts held	49,969,936	–	49,969,936	12,097,373	–	12,097,373
Net financial result	(13,607,576)	78,588,243	64,980,667	2,596,854	400,155,673	402,752,527
Net reinsurance and investment result	157,119,041	78,588,243	235,707,284	145,129,254	400,155,673	545,284,927
Other income	768,747	7,948,553	8,717,300	3,956,486	4,821,170	8,777,656
Special commission expense	–	(1,924,787)	(1,924,787)	–	(1,802,326)	(1,802,326)
Other operating expenses	(43,542,958)	(8,321,388)	(51,864,346)	(38,104,725)	(10,950,249)	(49,054,974)
Share of profit of equity accounted investee	–	–	–	–	2,510,590	2,510,590
Net income for the period before zakat and tax	114,344,830	76,290,621	190,635,451	110,981,015	394,734,858	505,715,873
Zakat for the period	–	(46,380,652)	(46,380,652)	–	(29,668,654)	(29,668,654)
Tax charge for the period	(3,729,079)	(481,293)	(4,210,372)	–	(1,235,577)	(1,235,577)
Net income for the period after zakat and tax	110,615,751	29,428,676	140,044,427	110,981,015	363,830,627	474,811,642

	For the year ended 31 December 2025			For the year ended 31 December 2024		
	Reinsurance operations	Shareholders' operations	Total	Reinsurance operations	Shareholders' operations	Total
Other comprehensive income						
Items that will not be reclassified to income statements subsequently						
Financial investments at FVOCI – net change in fair value	438,750	6,566,741	7,005,491	–	1,559,726	1,559,726
Re-measurement gain/(loss) on employees' end of service benefits	2,554,461	–	2,554,461	(12,889,711)	–	(12,889,711)
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
Total comprehensive income for the period	113,608,962	35,995,417	149,604,379	98,091,304	367,001,983	465,093,287

GRI CONTENT INDEX

Statement of use: Saudi Reinsurance Company has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 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	Saudi Re: An Overview	5
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	2-3 Reporting period, frequency and contact point	About this Report	4
	2-4 Restatements of information	About this Report	4
	2-6 Activities, value chain and other business relationships	Saudi Re: An Overview	5
	2-7 Employees	Sustainability Performance – Investing in Our People	64
	2-9 Governance structure and composition	Corporate Governance	70
	2-10 Nomination and selection of the highest governance body	Corporate Governance	70
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	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance; Sustainability Strategy	42-70
	2-13 Delegation of responsibility for managing impacts	Corporate Governance; Sustainability Strategy	42-70
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance; Sustainability Strategy	42-70
	2-15 Conflicts of interest	Sustainability Performance – Corporate Governance; Sustainability Performance – Business Ethics and Compliance	52-55
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GRI Standard	Disclosure	Location/Explanation	Page number
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	2-26 Mechanisms for seeking advice and raising concerns	Sustainability Performance – Investing in our People; Sustainability Performance – Business Ethics and Compliance	55-64
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	2-29 Approach to stakeholder engagement	Sustainability Strategy – Stakeholder Engagement	45
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Strategy – Materiality	46
	3-2 List of material topics	Sustainability Strategy – Materiality	46
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	205-2 Communication and training about anti-corruption policies and procedures	Sustainability Performance – Business Ethics and Compliance	55
	205-3 Confirmed incidents of corruption and actions taken	Sustainability Performance – Business Ethics and Compliance	55
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	55
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	55
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 – Client Focus and Market Development	58
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GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Performance – Investing in Our People	64
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GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Performance – Investing in Our People	64
	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability Performance – Investing in Our People	64
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Performance – Investing in Our People	64
4 – Serving the National Strategy/11 – Innovation and Digitalization			
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8 – Customer Satisfaction			
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9 – Diversity and Inclusion			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability Performance – Investing in Our People; Corporate Governance	64-70
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Sustainability Performance – Investing in Our People	64

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 Investment	61
	FN-IN-450a.2 (1) Total amount of monetary losses attributable to insurance payouts from modeled natural catastrophes	Sustainability Performance – Sustainable Investment	61
	FN-IN-450a.2 (2) Total amount of monetary losses attributable to insurance payouts from non-modeled natural catastrophes	Sustainability Performance – Sustainable Investment	61
SASB FN-IN-410: Policies Designed to Incentivize Responsible Behavior	“FN-IN-410b.1 Net premiums written related to renewable energy, energy efficiency, cleaner production, low-carbon technology”	Sustainability Performance – Sustainable Investment	62
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GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	Sustainability Performance – Community Investment and Social Impact; Sustainability Performance – Investing in Our People	63-66
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CORPORATE INFORMATION

The Saudi Reinsurance Company (Saudi Re) was established as a Saudi joint-stock company under the esteemed Royal Decree No. 83, dated 25-10-1428H (corresponding to 6-11-2007). It obtained its Commercial Registration No. 1010250125 on 12/5/1429H and is licensed under No. TMN/20087/17. The company is regulated and supervised by the Insurance Authority. Saudi Re is the first Saudi reinsurance company, with a capital of 1,698,100,000 Saudi Riyals, divided into 169,810,000 shares, each with a nominal value of 10 Saudi Riyals.

TASI 8200

RIC 8200.SE

ISIN SA1210540419



Global Standard Annual Report Number®
SAU8599SRECX0250000E112



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