Gulf Insurance Group K.S.C.P. and its Subsidiaries

REVIEW REPORT AND INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

FOR THE PERIOD ENDED 30 JUNE 2026

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Report on review of interim condensed consolidated financial information to the Board of Directors of Gulf Insurance Group K.S.C.P

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Gulf Insurance Group K.S.C.P. (the "Parent Company") and its subsidiaries (together referred to as the "Group") as at 30 June 2026, and the related interim condensed consolidated statements of income, statement of comprehensive income for the three month and six month periods then ended and statement of changes in equity and statement of cash flows for the six month period then ended and explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

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

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

Report on review of other legal and regulatory requirements
Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that nothing has come to our attention indicating any violations of the Companies Law No. 1 of 2016, and its Executive Regulations nor of the Parent Company's Memorandum of Incorporation and Articles of Association, have occurred during the six month period ended 30 June 2026, that might have had a material effect on the business of the Parent Company or its financial position.

We further report that, during the course of our review, we have not become aware of any material violations during the six-month period ended 30 June 2026 of the provisions of Law No. 7 of 2010 concerning the Capital Markets Authority and its related regulations, that might have had a material effect on the business of the Parent Company or on its financial position.

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13 August 2026
Kuwait

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2026

		Three months ended June		*Six months ended June*	
		2026	*2025*	***2026***	*2025*
	Notes	***KD 000's***	*KD 000's*	***KD 000's***	*KD 000's*
Revenue:					
Insurance revenue	5	**206,921**	181,714	**399,384**	359,554
Insurance service expenses	5	**(264,387)**	(139,337)	**(408,911)**	(262,858)
Insurance service result before reinsurance contracts held		**(57,466)**	42,377	**(9,527)**	96,696
Net income (expense) from reinsurance contracts held	5	**72,389**	(31,185)	**39,582**	(72,534)
Insurance service result		**14,923**	11,192	**30,055**	24,162
Finance expense from insurance contracts issued	5	**(8,820)**	(6,630)	**(14,168)**	(14,920)
Finance income from reinsurance contracts held	5	**3,342**	2,412	**5,065**	6,404
Net insurance financial result		**9,445**	6,974	**20,952**	15,646
Investment income	3	**6,557**	5,589	**13,686**	7,759
Investment expense		**(1,115)**	(389)	**(1,568)**	(871)
Interest income		**10,193**	10,071	**20,940**	19,641
Share of results from investment in associates		**1,026**	844	**1,758**	1,721
Non-attributable general and administrative expenses		**(8,937)**	(9,177)	**(18,046)**	(17,449)
Other (expenses) income, net		**(436)**	(2,244)	**140**	(1,215)
Monetary loss from hyperinflation		**(279)**	(761)	**(1,917)**	(2,461)
Finance costs		**(1,015)**	(1,174)	**(1,924)**	(2,322)
PROFIT FOR THE PERIOD BEFORE CONTRIBUTION TO KFAS AND TAXATION		**15,439**	9,733	**34,021**	20,449
Contribution to KFAS		**(26)**	(75)	**(40)**	(160)
PROFIT FOR THE PERIOD BEFORE TAXATION		**15,413**	9,658	**33,981**	20,289
Taxation	11	**(2,708)**	(1,783)	**(5,499)**	(4,302)
PROFIT FOR THE PERIOD		**12,705**	7,875	**28,482**	15,987
Attributable to:					
Equity holders of the Parent Company		**10,759**	5,976	**23,761**	12,556
Non-controlling interests		**1,946**	1,899	**4,721**	3,431
		12,705	7,875	**28,482**	15,987
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	4	**35.08 fils**	18.27 fils	**78.06 fils**	38.68 fils

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2026

	Three months ended June		*Six months ended June*	
	2026	*2025*	***2026***	*2025*
	KD 000's	*KD 000's*	***KD 000's***	*KD 000's*
Profit for the period	**12,705**	7,875	**28,482**	15,987
Other comprehensive income (loss):				
Items that are or may be subsequently reclassified to consolidated statement of income:				
- Exchange differences on translation of foreign operations	**2,319**	(3,942)	**532**	(5,274)
- Change in fair value of financial assets at FVOCI (debt instruments)	**2,162**	3,436	**(4,410)**	6,470
- Share of other comprehensive income (expense) of investment in associates	**190**	(22)	**(10)**	(15)
- Finance (expense) income from insurance contracts issued	**(295)**	(20)	**385**	(298)
- Finance income from reinsurance contracts held	**145**	15	**(209)**	164
- Hyperinflation impact	**422**	401	**1,054**	1,462
	4,943	(132)	**(2,658)**	2,509
Items that will not be subsequently reclassified to consolidated statement of income:				
- Change in fair value of financial assets at FVOCI	**(305)**	(605)	**(685)**	(1,439)
- Share of other comprehensive income of investment in associates	**11**	12	**45**	13
- Revaluation of property and equipment	**(4)**	-	-	-
- Revaluation of pension plans	**(43)**	6	**(43)**	6
	(341)	(587)	**(683)**	(1,420)
Other comprehensive income (loss) for the period	**4,602**	(719)	**(3,341)**	1,089
Total comprehensive income for the period	**17,307**	7,156	**25,141**	17,076
Attributable to:				
Equity holders of the Parent Company	**14,841**	5,377	**21,203**	12,345
Non-controlling interests	**2,466**	1,779	**3,938**	4,731
	17,307	7,156	**25,141**	17,076

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 30 June 2026

	Notes	*30 June 2026 KD 000's*	*31 December 2025 KD 000's*	*30 June 2025 KD 000's*
ASSETS				
Cash and cash equivalents		**217,900**	152,311	187,928
Time deposits		**35,572**	41,546	44,725
Insurance contract assets	5	**52,796**	50,187	31,130
Reinsurance contract assets	5	**324,019**	260,495	223,086
Investments at fair value through profit or loss		**222,472**	177,376	140,595
Investments at fair value through other comprehensive income		**396,683**	392,158	375,701
Other assets		**34,201**	28,524	34,207
Debt instruments at amortised cost		**78,999**	79,887	77,118
Deferred tax assets from foreign subsidiaries		**2,929**	3,043	2,591
Right of use assets		**4,805**	5,235	6,179
Investments in associates		**17,299**	18,096	23,315
Investment properties		**7,373**	7,359	6,624
Property and equipment		**39,823**	39,668	35,976
Intangible assets		**34,376**	37,536	38,577
Goodwill		**33,503**	33,337	33,211
Loans secured by life insurance policies		**67**	76	89
TOTAL ASSETS		**1,502,817**	1,326,834	1,261,052
LIABILITIES AND EQUITY				
LIABILITIES				
Bank overdraft		**20,454**	1,812	-
Insurance contract liabilities	5	**835,463**	701,304	661,735
Reinsurance contract liabilities	5	**33,311**	35,375	26,390
Borrowings	6	**71,879**	66,620	50,866
Income tax payable		**17,439**	16,898	12,985
Deferred tax payable from foreign subsidiaries		**3,637**	4,517	1,738
Other liabilities		**71,545**	67,605	99,328
Provision for end of service benefits		**17,069**	19,856	17,989
Lease liabilities		**4,991**	5,283	5,639
Total liabilities		**1,075,788**	919,270	876,670
Equity				
Share capital	7	**28,457**	28,457	28,457
Share premium		**50,947**	50,947	50,947
Treasury shares reserve		**4,268**	4,268	4,268
Statutory reserve		**28,457**	28,457	28,457
Voluntary reserve		**40,671**	40,671	40,671
Effect of changes in ownership interest of subsidiaries		**(3,529)**	(3,529)	(3,537)
Other reserves		**(1,536)**	(1,499)	(1,496)
Insurance and reinsurance finance reserve		**528**	353	880
Cumulative changes in fair value reserve		**6,878**	10,834	7,660
Foreign currency translation adjustments		**(51,047)**	(52,307)	(53,755)
Revaluation reserve		**17,926**	17,926	14,607
Retained earnings		**161,866**	139,651	128,786
Equity attributable to the equity holders of the Parent Company		**283,886**	264,229	245,945
Subordinated perpetual Tier 2 bonds		**60,000**	60,000	60,000
Non-controlling interests		**83,143**	83,335	78,437
Total equity		**427,029**	407,564	384,382
TOTAL LIABILITIES AND EQUITY		**1,502,817**	1,326,834	1,261,052

Bijan Khosrowshahi
Chairman

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the period ended 30 June 2026

	Attributable to equity holders of the Parent Company															
	Share capital KD 000's	*Share premium KD 000's*	*Treasury shares reserve KD 000's*	*Statutory reserve KD 000's*	*Voluntary reserve KD 000's*	*Effect of changes in Interest of Subsidiaries KD 000's*	*Other reserves KD 000's*	*Insurance and reinsurance finance reserve KD 000's*	*Cumulative changes in fair values KD 000's*	*Foreign currency translation adjustments KD 000's*	*Revaluation reserve KD 000's*	*Retained earnings KD 000's*	*Sub-total KD 000's*	*Subordinated perpetual tier 2 bonds KD 000's*	*Non-controlling interests KD 000's*	*Total equity KD 000's*
As at 1 January 2026	**28,457**	**50,947**	**4,268**	**28,457**	**40,671**	**(3,529)**	**(1,499)**	**353**	**10,834**	**(52,307)**	**17,926**	**139,651**	**264,229**	**60,000**	**83,335**	**407,564**
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	23,761	23,761	-	4,721	28,482
Other comprehensive (loss) income for the period	-	-	-	-	-	-	(37)	175	(3,956)	1,260	-	-	(2,558)	-	(783)	(3,341)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(37)	175	(3,956)	1,260	-	23,761	21,203	-	3,938	25,141
Interest on subordinated perpetual tier 2 bonds	-	-	-	-	-	-	-	-	-	-	-	(1,484)	(1,484)	-	-	(1,484)
Amortization of subordinated Tier 2 Bonds transactions costs	-	-	-	-	-	-	-	-	-	-	-	(62)	(62)	-	-	(62)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,130)	(4,130)
As at 30 June 2026	**28,457**	**50,947**	**4,268**	**28,457**	**40,671**	**(3,529)**	**(1,536)**	**528**	**6,878**	**(51,047)**	**17,926**	**161,866**	**283,886**	**60,000**	**83,143**	**427,029**

	Attributable to equity holders of the Parent Company															
	Share capital KD 000's	*Share premium KD 000's*	*Treasury shares reserve KD 000's*	*Statutory reserve KD 000's*	*Voluntary reserve KD 000's*	*Effect of changes in Interest of Subsidiaries KD 000's*	*Other reserves KD 000's*	*Insurance and reinsurance finance reserve KD 000's*	*Cumulative changes in fair values KD 000's*	*Foreign currency translation adjustments KD 000's*	*Revaluation reserve KD 000's*	*Retained earnings KD 000's*	*Sub-total KD 000's*	*Subordinated perpetual tier 2 bonds KD 000's*	*Non-controlling interests KD 000's*	*Total equity KD 000's*
As at 1 January 2025	28,457	50,947	4,268	28,457	40,671	(2,671)	(1,502)	1,014	4,183	(50,195)	14,607	124,323	242,559	60,000	77,497	380,056
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	12,556	12,556	-	3,431	15,987
Other comprehensive income (loss) for the period	-	-	-	-	-	-	6	(134)	3,477	(3,560)	-	-	(211)	-	1,300	1,089
Total comprehensive income (loss) for the period	-	-	-	-	-	-	6	(134)	3,477	(3,560)	-	12,556	12,345	-	4,731	17,076
Interest on subordinated perpetual tier 2 bonds	-	-	-	-	-	-	-	-	-	-	-	(1,484)	(1,484)	-	-	(1,484)
Amortization of subordinated Tier 2 Bonds transactions costs	-	-	-	-	-	-	-	-	-	-	-	(64)	(64)	-	-	(64)
Acquisition of non-controlling interests	-	-	-	-	-	(866)	-	-	-	-	-	-	(866)	-	530	(336)
Other movement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15)	(15)
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	-	-	-	(6,545)	(6,545)	-	-	(6,545)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,306)	(4,306)
As at 30 June 2025	28,457	50,947	4,268	28,457	40,671	(3,537)	(1,496)	880	7,660	(53,755)	14,607	128,786	245,945	60,000	78,437	384,382

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2026

	Six months ended 30 June	
	2026	*2025*
	KD 000's	*KD 000's*
OPERATING ACTIVITIES		
Profit for the period before contribution to KFAS and taxation	**34,021**	20,449
Adjustments for:		
Investment income	**(13,686)**	(7,759)
Investment expense	**1,568**	871
Interest income	**(20,940)**	(19,641)
Share of results of investment in associates	**(1,758)**	(1,721)
Depreciation of property and equipment and right of use assets	**2,061**	2,014
Amortisation of intangible assets	**4,157**	3,853
Impairment of intangible assets	**87**	87
Gain on sale of property and equipment	**(29)**	(11)
Finance costs	**1,924**	2,322
Monetary loss from hyperinflation	**1,917**	2,461
Provision charged for end of service benefits	**2,335**	1,433
	11,657	4,358
Changes in operating assets and liabilities:		
Insurance contract assets	**(2,224)**	(2,407)
Reinsurance contract assets	**(63,733)**	41,273
Other assets	**(5,739)**	(6,193)
Insurance contract liabilities	**134,159**	27,232
Reinsurance contract liabilities	**(2,064)**	3,929
Other liabilities	**4,822**	(12,938)
	76,878	55,254
Provision for end of service benefits paid	**(5,167)**	(686)
Payment of taxes	**(6,543)**	(4,639)
Net cash flows generated from operating activities	**65,168**	49,929
INVESTING ACTIVITIES		
Movement in time deposits	**5,571**	(6,708)
Net movement of investments at fair value through profit or loss	**(36,884)**	(13,460)
Net movement of investments at fair value through other comprehensive income	**(9,969)**	-
Net movement of debt instruments at amortized cost	**749**	(4,222)
Net movement in loans secured by life insurance policies	**9**	49
Purchase of property and equipment	**(1,565)**	(1,321)
Proceeds from sale of property and equipment	**24**	160
Rental income received	**265**	213
Additions of intangible assets	**(878)**	-
Proceeds from sale of intangible assets	-	(1,279)
Interest income received	**20,940**	19,641
Dividend income received	**4,548**	3,300
Dividend received from investment in associates	**2,593**	2,600
Participation in issuance of share capital of an investment in associate	-	(74)
Acquisition of non-controlling interest	-	(336)
Net cash flows used in investing activities	**(14,597)**	(1,437)
FINANCING ACTIVITIES		
Payment of lease liabilities	**(789)**	(889)
Borrowings paid	**(11,500)**	-
Borrowings received	**16,750**	-
Finance costs paid	**(1,775)**	(2,177)
Interest on subordinated perpetual Tier 2 bonds	**(1,500)**	(1,484)
Dividends paid	-	(6,545)
Dividends paid to non-controlling interests	**(4,130)**	(4,306)
Net cash flows used in financing activities	**(2,944)**	(15,401)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**47,627**	33,091
Net foreign exchange difference	**(680)**	(6,010)
Cash and cash equivalents at 1 January	**150,499**	160,847
CASH AND CASH EQUIVALENTS AT 30 JUNE	**197,446**	187,928

The attached notes 1 to 13 form part of this interim condensed consolidated financial information.

1 ACTIVITIES

The interim condensed consolidated financial information of Gulf Insurance Group K.S.C.P. (the "Parent Company") and its subsidiaries (the "Group") were authorised for issue by the Board of Directors on **13 August 2026**.

The Ordinary Annual General Assembly meeting of the Parent Company's shareholders held on 31 March 2026, approved the consolidated financial statements for the year ended 31 December 2025 and approved the Board of Director's proposal for not distributing dividends.

The Parent Company is a Kuwaiti Shareholding Company incorporated in the State of Kuwait in accordance with the Amiri Decree No. 25 of 9 April 1962 and is listed on Boursa Kuwait. The address of the Parent Company's registered office is Khaled Ibn Al-Waleed Street, KIPCO Tower, Floor No 40, Office No 49 & 50, Sharq, Kuwait City P.O. Box 1040 Safat, 13011 State of Kuwait. The Parent Company's objectives include all types of insurance, indemnities, compensations and investing its capital and assets in various financial and real estate investments, both locally and abroad.

The Parent Company is 97.06% (31 December 2025: 97.06% and 30 June 2025: 97.06%) owned by Fairfax financial holding limited.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

The interim condensed consolidated financial information of the Group is prepared in accordance with International Accounting Standard (IAS 34), Interim Financial Reporting.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars to the nearest thousand, which is the functional currency of the Parent Company.

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. Operating results for the six months period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

New standards, interpretations and amendments adopted by the Group
The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026.

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7,
- Annual improvements to IFRS Accounting Standards - Volume 11

The amendments did not have a material impact on the Group's financial statements.

Standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and have not been adopted by the Group. The management of the Group is in the process of assessing the impact of these new standards, interpretation and amendments which will be adopted in the Group's financial statement as and when they are applicable. The standards are as follows:

- IFRS 18: Presentation and Disclosure in Financial Statements IFRS 18 will replace IAS 1: Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027.
- IFRS 19: Subsidiaries without Public Accountability: Disclosures – (1 January 2027); and
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28 (Available for optional adoption / effective date deferred indefinitely).

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONTINUED)

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Given the uncertainties resulting from the geopolitical instabilities as further explained in note 13, management reviewed the continued appropriateness of the critical accounting estimates and judgements used as at 31 December 2025 and determined that the existing key estimates, significant judgements, assumptions, and methodologies remain appropriate. Therefore, in preparing this interim condensed consolidated financial information, the critical accounting estimates and judgements made by management are the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2025.

3 INVESTMENT INCOME

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD 000's	*KD 000's*	***KD 000's***	*KD 000's*
Net gain on investments at fair value through profit or loss	**3,635**	2,676	**8,393**	2,523
Dividend income	**2,392**	1,854	**4,548**	3,300
Foreign exchange gain	**375**	958	**496**	1,744
Rental income from investment properties	**155**	101	**249**	192
	6,557	5,589	**13,686**	7,759

4 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY

Basic and diluted earnings per share are calculated by dividing profit (loss) for the period attributable to equity holders of the Parent Company (adjusted for interest on subordinated perpetual tier 2 bond) by the weighted average number of ordinary shares, less treasury shares, outstanding during the period.

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD 000's	*KD 000's*	***KD 000's***	*KD 000's*
Profit attributable to equity holders of the Parent Company	**10,759**	5,976	**23,761**	12,556
Less: Interest and amortization on subordinated perpetual tier 2 bonds	**(777)**	(778)	**(1,546)**	(1,548)
	9,982	5,198	**22,215**	11,008
	Shares	Shares	**Shares**	Shares
Weighted average number of shares, less treasury shares outstanding during the period	**284,572,463**	284,572,463	**284,572,463**	284,572,463
Basic and diluted earnings per share	**35.08 fils**	18.27 fils	**78.06 fils**	38.68 fils

As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

5 INSURANCE CONTRACT ASSETS/LIABILITIES

5.1 Analysis of insurance contract assets and liabilities for contracts measured under PAA

	30 June 2026					30 June 2025				
	Liabilities for remaining coverage (LRC)		**Liabilities for incurred claims (LIC)**			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
	Excluding loss component *KD 000'*	**Loss component** *KD 000'*	**Estimates of the present value of future cash flows** *KD 000'*	**Risk adjustment** *KD 000'*	**Total** *KD 000'*	Excluding loss component *KD 000'*	Loss component *KD 000'*	Estimates of the present value of future cash flows *KD 000'*	Risk adjustment *KD 000'*	Total *KD 000'*
Opening liabilities	**126,328**	**9,781**	**424,364**	**38,071**	**598,544**	128,253	8,481	382,517	35,104	554,355
Opening assets	**(30,679)**	**62**	**(19,976)**	**406**	**(50,187)**	(98,548)	35	67,893	1,363	(29,257)
Net opening balance	**95,649**	**9,843**	**404,388**	**38,477**	**548,357**	29,705	8,516	450,410	36,467	525,098
Insurance revenue	**(389,908)**	**-**	**-**	**-**	**(389,908)**	(351,707)	-	-	-	(351,707)
Insurance service expenses:										
Incurred claims	**-**	**(7,881)**	**316,796**	**13,815**	**322,730**	-	(1,164)	207,786	8,014	214,636
Other directly attributable expenses	**-**	**-**	**23,350**	**-**	**23,350**	-	-	25,264	-	25,264
Changes that relate to past service-Changes in FCF relating to LIC	**-**	**-**	**5,047**	**(8,978)**	**(3,931)**	-	-	(17,232)	(11,700)	(28,932)
Loss on onerous contracts	**-**	**8,159**	**-**	**-**	**8,159**	-	2,054	-	-	2,054
Insurance acquisition cash flows amortization	**54,950**	**-**	**-**	**-**	**54,950**	45,450	-	-	-	45,450
Insurance service expenses	**54,950**	**278**	**345,193**	**4,837**	**405,258**	45,450	890	215,818	(3,686)	258,472
Insurance service result	**(334,958)**	**278**	**345,193**	**4,837**	**15,350**	(306,257)	890	215,818	(3,686)	(93,235)
Net finance expense from insurance contracts	**2,397**	**-**	**7,514**	**141**	**10,052**	-	-	10,535	1,029	11,564
Foreign currencies adjustment to comprehensive income	**(1,084)**	**62**	**983**	**141**	**102**	(1,919)	(70)	(3,508)	(240)	(5,737)
Total changes in the statement of income and OCI	**(333,645)**	**340**	**353,690**	**5,119**	**25,504**	(308,176)	820	222,845	(2,897)	(87,408)
Hyperinflation impact	**1,527**	**-**	**(1,076)**	**-**	**451**	1,241	-	(642)	-	599
Cash flows										
Premiums received	**421,237**	**-**	**-**	**-**	**421,237**	390,486	-	-	-	390,486
Claims and other directly attributable expenses paid	**-**	**-**	**(264,248)**	**-**	**(264,248)**	-	-	(243,730)	-	(243,730)
Insurance acquisition cash flows	**(55,978)**	**-**	**-**	**-**	**(55,978)**	(48,276)	-	-	-	(48,276)
Total cash flows	**365,259**	**-**	**(264,248)**	**-**	**101,011**	342,210	-	(243,730)	-	98,480
Net closing balance	**128,790**	**10,183**	**492,754**	**43,596**	**675,323**	64,980	9,336	428,883	33,570	536,769
Closing liabilities	**163,374**	**10,079**	**512,585**	**42,081**	**728,119**	159,563	9,293	366,898	32,319	568,073
Closing assets	**(34,584)**	**104**	**(19,831)**	**1,515**	**(52,796)**	(94,583)	43	61,985	1,251	(31,304)
Net closing balance	**128,790**	**10,183**	**492,754**	**43,596**	**675,323**	64,980	9,336	428,883	33,570	536,769

5 INSURANCE CONTRACT ASSETS/LIABILITIES (continued)

5.2 Analysis of insurance contract assets and liabilities for contracts measured under GMM/VFA

	30 June 2026					30 June 2025				
	Liabilities for remaining coverage (LRC)		**Liabilities for incurred claims (LIC)**			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
	Excluding loss component *KD 000'*	**Loss component** *KD 000'*	**Estimates of the present value of future cash flows** *KD 000'*	**Risk adjustment** *KD 000'*	**Total** *KD 000'*	Excluding loss component *KD 000'*	Loss component *KD 000'*	Estimates of the present value of future cash flows *KD 000'*	Risk adjustment *KD 000'*	Total *KD 000'*
Opening liabilities	**92,137**	**1,929**	**7,745**	**949**	**102,760**	72,435	916	6,042	755	80,148
Opening assets	**-**	**-**	**-**	**-**	**-**	(133)	369	-	-	236
Net opening balance	**92,137**	**1,929**	**7,745**	**949**	**102,760**	72,302	1,285	6,042	755	80,384
Insurance revenue	**(9,476)**	**-**	**-**	**-**	**(9,476)**	(7,847)	-	-	-	(7,847)
Insurance service expenses:										
Incurred claims	**-**	**(182)**	**2,675**	**231**	**2,724**	-	(139)	3,668	203	3,732
Other directly attributable expenses	**-**	**-**	**728**	**-**	**728**	-	-	788	-	788
Changes that relate to past service-Changes in FCF relating to LIC	**-**	**-**	**42**	**(170)**	**(128)**	-	-	59	(107)	(48)
Loss on onerous contracts	**-**	**237**	**-**	**-**	**237**	-	94	-	-	94
Insurance acquisition cash flows amortization	**92**	**-**	**-**	**-**	**92**	(180)	-	-	-	(180)
Net income (expense) from reinsurance contracts held	**92**	**55**	**3,445**	**61**	**3,653**	(180)	(45)	4,515	96	4,386
Insurance service result	**(9,384)**	**55**	**3,445**	**61**	**(5,823)**	(8,027)	(45)	4,515	96	(3,461)
Net finance expense from insurance contracts	**3,382**	**72**	**250**	**27**	**3,731**	3,307	31	287	29	3,654
Foreign currencies adjustment to comprehensive income	**205**	**5**	**62**	**8**	**280**	(277)	(4)	(64)	(7)	(352)
Total changes in the statement of income and OCI	**(5,797)**	**132**	**3,757**	**96**	**(1,812)**	(4,997)	(18)	4,738	118	(159)
Investment components	**(1,849)**	**-**	**1,849**	**-**	**-**	(1,489)	-	1,489	-	-
Cash flows										
Premiums received	**12,851**	**-**	**-**	**-**	**12,851**	19,534	-	-	-	19,534
Claims and other directly attributable expenses paid	**-**	**-**	**(4,891)**	**-**	**(4,891)**	-	-	(4,161)	-	(4,161)
Insurance acquisition cash flows	**(1,564)**	**-**	**-**	**-**	**(1,564)**	(1,762)	-	-	-	(1,762)
Total cash flows	**11,287**	**-**	**(4,891)**	**-**	**6,396**	17,772	-	(4,161)	-	13,611
Net closing balance	**95,778**	**2,061**	**8,460**	**1,045**	**107,344**	83,588	1,267	8,108	873	93,836
Closing liabilities	**95,778**	**2,061**	**8,460**	**1,045**	**107,344**	83,502	1,179	8,108	873	93,662
Closing assets	**-**	**-**	**-**	**-**	**-**	86	88	-	-	174
Net closing balance	**95,778**	**2,061**	**8,460**	**1,045**	**107,344**	83,588	1,267	8,108	873	93,836

5 INSURANCE CONTRACT ASSETS/LIABILITIES (continued)

5.2.1 Reconciliation of insurance contract assets and liabilities by components for contracts measured under GMM/VFA

	30 June 2026				30 June 2025			
	Estimates of the present value of future cash flows *KD 000'*	**Risk Adjustment for non-financial risk** *KD 000'*	**Contractual Service Margin (CSM)** *KD 000'*	**Total** *KD 000'*	Estimates of the present value of future cash flows *KD 000'*	Risk Adjustment for non-financial risk *KD 000'*	Contractual Service Margin (CSM) *KD 000'*	Total *KD 000'*
Opening liabilities	**59,271**	**5,861**	**37,628**	**102,760**	49,958	3,691	26,499	80,148
Opening assets	**-**	**-**	**-**	**-**	167	2	67	236
Net opening balance	**59,271**	**5,861**	**37,628**	**102,760**	50,125	3,693	26,566	80,384
Changes that relate to current services:								
CSM recognized in statement of income for services provided	**-**	**-**	**(4,661)**	**(4,661)**	-	-	(3,600)	(3,600)
Changes in risk adjustment for risks expired	**-**	**(418)**	**-**	**(418)**	-	(280)	-	(280)
Experience Adjustments-Premium and Associated Cashflows	**(433)**	**-**	**-**	**(433)**	(290)	-	-	(290)
Experience adjustments-relating to insurance service expenses	**(265)**	**-**	**-**	**(265)**	882	-	-	882
	(698)	**(418)**	**(4,661)**	**(5,777)**	592	(280)	(3,600)	(3,288)
Changes that relate to future services:								
Changes in estimates that adjust the CSM	**5,163**	**501**	**(5,672)**	**(8)**	(1,285)	1,043	275	33
Changes in estimate that results in onerous contract losses or (reversal) of such losses	**213**	**24**	**-**	**237**	1,150	(1,086)	-	64
Contracts initially recognized during the year	**(6,037)**	**576**	**5,589**	**128**	(5,230)	410	4,869	49
Experience adjustments-arising from premiums received in the period that relate to future service	**311**	**-**	**(302)**	**9**	318	-	(629)	(311)
	(350)	**1,101**	**(385)**	**366**	(5,047)	367	4,515	(165)
Changes that relate to past services:								
Changes that relate to past service- changes in the FCF relating to the LIC	**(62)**	**82**	**-**	**20**	1,060	86	-	1,146
Experience adjustment-arising from premium received in the period that related to past service	**(181)**	**(251)**	**-**	**(432)**	(962)	(192)	-	(1,154)
	(243)	**(169)**	**-**	**(412)**	98	(106)	-	(8)
Insurance service result	**(1,291)**	**514**	**(5,046)**	**(5,823)**	(4,357)	(19)	915	(3,461)
Net finance expense from insurance contracts	**1,762**	**139**	**1,830**	**3,731**	(2,498)	1,041	5,111	3,654
Foreign currencies adjustment to comprehensive income	**618**	**(3)**	**(335)**	**280**	(332)	(10)	(10)	(352)
Total changes in the statement of income and OCI	**1,089**	**650**	**(3,551)**	**(1,812)**	(7,187)	1,012	6,016	(159)
Cash flows:								
Premiums received	**12,851**	**-**	**-**	**12,851**	19,534	-	-	19,534
Claims and other directly attributable expenses paid	**(4,891)**	**-**	**-**	**(4,891)**	(4,161)	-	-	(4,161)
Insurance acquisition cash flows	**(1,564)**	**-**	**-**	**(1,564)**	(1,762)	-	-	(1,762)
Total cash flows	**6,396**	**-**	**-**	**6,396**	13,611	-	-	13,611
Net closing balance	**66,756**	**6,511**	**34,077**	**107,344**	56,549	4,705	32,582	93,836
Closing liabilities	**66,756**	**6,511**	**34,077**	**107,344**	56,855	4,633	32,174	93,662
Closing assets	**-**	**-**	**-**	**-**	(306)	72	408	174
Net closing balance	**66,756**	**6,511**	**34,077**	**107,344**	56,549	4,705	32,582	93,836

5 INSURANCE CONTRACT ASSETS/LIABILITIES (continued)

5.3 Analysis of reinsurance contract assets and liabilities for contracts measured under PAA

	30 June 2026					30 June 2025				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)		
	Excluding loss component KD 000'	Loss component KD 000'	Estimates of the present value of future cash flows KD 000'	Risk adjustment KD 000'	Total KD 000'	Excluding loss component KD 000'	Loss component KD 000'	Estimates of the present value of future cash flows KD 000'	Risk adjustment KD 000'	Total KD 000'
Opening liabilities	(47,499)	-	11,200	596	(35,703)	(40,611)	-	16,814	1,430	(22,367)
Opening assets	(27,342)	1,171	238,357	18,887	231,073	(15,115)	-	237,370	16,111	238,366
Net opening balance	(74,841)	1,171	249,557	19,483	195,370	(55,726)	-	254,184	17,541	215,999
Reinsurance expenses	(117,089)	-	-	-	(117,089)	(109,805)	-	-	-	(109,805)
Amounts recoverable from reinsurers:										
Incurred claims recovery	-	-	142,220	8,163	150,383	-	-	54,944	1,828	56,772
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	-	-	11,894	(3,667)	8,227	-	-	(13,728)	(4,661)	(18,389)
Income on initial recognition of onerous underlying contracts	-	88	-	-	88	-	-	-	-	-
Reversal of a loss recovery component other than changes in FCF for RI contracts held	-	379	-	-	379	-	-	-	-	-
Change in provision for risk of non-performance	-	-	266	-	266	-	-	698	-	698
Net expense from reinsurance contracts held	(117,089)	467	154,380	4,496	42,254	(109,805)	-	41,914	(2,833)	(70,724)
Net finance income from reinsurance contracts	-	-	4,088	54	4,142	-	-	5,066	409	5,475
Foreign currencies adjustment to comprehensive income	(395)	12	633	83	333	38	-	(2,245)	(114)	(2,321)
Total amounts recognised in statement of income and OCI	(117,484)	479	159,101	4,633	46,729	(109,767)	-	44,735	(2,538)	(67,570)
Hyperinflation impact	308	-	17	-	325	354	-	(117)	-	237
Cash flows:										
Premiums paid net of ceding commissions and other directly attributable expenses	102,036	-	-	-	102,036	99,218	-	-	-	99,218
Claims and other recoveries	-	-	(83,012)	-	(83,012)	-	-	(77,335)	-	(77,335)
Total cash flows	102,036	-	(83,012)	-	19,024	99,218	-	(77,335)	-	21,883
Net closing balance	(89,981)	1,650	325,663	24,116	261,448	(65,921)	-	221,467	15,003	170,549
Closing liabilities	(53,025)	632	16,900	1,843	(33,650)	(43,999)	-	16,167	1,136	(26,696)
Closing assets	(36,956)	1,018	308,763	22,273	295,098	(21,922)	-	205,300	13,867	197,245
Net closing balance	(89,981)	1,650	325,663	24,116	261,448	(65,921)	-	221,467	15,003	170,549

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.4 Analysis of reinsurance contract assets and liabilities for contracts measured under GMM/VFA

	30 June 2026					30 June 2025				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)		
	Excluding loss recovery component *KD 000'*	Loss recovery component *KD 000'*	Estimates of the present value of future cash flows *KD 000'*	Risk adjustment *KD 000'*	Total *KD 000'*	Excluding loss recovery component *KD 000'*	Loss recovery component *KD 000'*	Estimates of the present value of future cash flows *KD 000'*	Risk adjustment *KD 000'*	Total *KD 000'*
Opening liabilities	235	37	56	-	328	(264)	120	49	1	(94)
Opening assets	23,248	477	5,161	536	29,422	20,354	184	4,856	435	25,829
Net opening balance	23,483	514	5,217	536	29,750	20,090	304	4,905	436	25,735
Changes in the statement of income:										
Allocation of reinsurance premiums:										
Reinsurance expenses	(4,077)	-	-	-	(4,077)	(3,543)	-	-	-	(3,543)
Amounts recoverable from reinsurers:										
Incurred claims recovery	-	(37)	1,333	127	1,423	-	-	1,501	105	1,606
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	-	-	(58)	(91)	(149)	-	-	103	(55)	48
Income on initial recognition of onerous underlying contracts	-	-	-	-	-	-	(2)	-	-	(2)
Reversal of a loss recovery component other than changes in FCF for RI contracts held	-	131	-	-	131	-	(17)	-	-	(17)
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-	-	-	-	-	71	27	-	-	98
Net (expense) income from reinsurance contracts held	(4,077)	94	1,275	36	(2,672)	(3,472)	8	1,604	50	(1,810)
Net finance income (expense) from reinsurance contracts	542	15	142	15	714	913	8	156	16	1,093
Foreign currencies adjustment to comprehensive income	126	5	42	4	177	(163)	(3)	(39)	(4)	(209)
Total amounts recognised in statement of income and OCI	(3,409)	114	1,459	55	(1,781)	(2,722)	13	1,721	62	(926)
Cash flows:										
Premiums paid net of ceding commissions and other directly attributable expenses	2,287	-	-	-	2,287	3,415	-	(1,911)	-	1,504
Recoveries from reinsurance	-	-	(996)	-	(996)	-	-	(166)	-	(166)
Total cash flows	2,287	-	(996)	-	1,291	3,415	-	(2,077)	-	1,338
Net closing balance	22,361	628	5,680	591	29,260	20,783	317	4,549	498	26,147
Closing liabilities	339	-	-	-	339	156	45	105	-	306
Closing assets	22,022	628	5,680	591	28,921	20,627	272	4,444	498	25,841
Net closing balance	22,361	628	5,680	591	29,260	20,783	317	4,549	498	26,147

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.4.1 Reconciliation of reinsurance contract assets and liabilities by components for contracts measured under GMM / VFA

	30 June 2026				30 June 2025			
	Estimates of the present value of future cash flows *KD 000'*	**Risk Adjustment for non-financial risk** *KD 000'*	**Contractual Service Margin (CSM)** *KD 000'*	**Total** *KD 000'*	Estimates of the present value of future cash flows *KD 000'*	Risk Adjustment for non-financial risk *KD 000'*	Contractual Service Margin (CSM) *KD 000'*	Total *KD 000'*
Opening liabilities	**189**	**93**	**46**	**328**	(785)	108	583	(94)
Opening assets	**15,390**	**1,814**	**12,218**	**29,422**	15,124	1,612	9,093	25,829
Net opening balance	**15,579**	**1,907**	**12,264**	**29,750**	14,339	1,720	9,676	25,735
Changes in the statement of income:								
Changes that relate to current services:								
CSM recognized in statement of income for services transferred	**-**	**-**	**(1,731)**	**(1,731)**	-	-	(1,350)	(1,350)
Changes in risk adjustment for non-financials risks	**-**	**(114)**	**-**	**(114)**	-	(90)	-	(90)
Experience adjustments	**(691)**	**-**	**-**	**(691)**	(453)	-	(9)	(462)
	(691)	**(114)**	**(1,731)**	**(2,536)**	(453)	(90)	(1,359)	(1,902)
Changes that relate to future services:								
Changes in estimates that adjust the CSM	**269**	**28**	**(305)**	**(8)**	24	9	(46)	(13)
Contracts initially recognized during the year	**(2,074)**	**102**	**2,025**	**53**	(1,767)	125	1,616	(26)
CSM adjustment for income on initial recognition of onerous underlying contracts	**-**	**-**	**100**	**100**	-	-	-	-
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	**123**	**10**	**(243)**	**(110)**	93	7	(6)	94
Experience adjustments – arising from ceded premiums paid in the period that relate to future service	**16**	**-**	**(9)**	**7**	(126)	-	134	8
	(1,666)	**140**	**1,568**	**42**	(1,776)	141	1,698	63
Changes that relate to past services:								
Changes that relate to past service –changes in the FCF relating to incurred claims recovery	**806**	**52**	**-**	**858**	563	56	-	619
Experience adjustments – arising from ceded premiums paid in the period that relate to past service	**(893)**	**(143)**	**-**	**(1,036)**	(479)	(111)	-	(590)
	(87)	**(91)**	**-**	**(178)**	84	(55)	-	29
Net expenses from reinsurance contracts held	**(2,444)**	**(65)**	**(163)**	**(2,672)**	(2,145)	(4)	339	(1,810)
Net finance income from reinsurance contracts	**228**	**53**	**433**	**714**	724	77	292	1,093
Foreign currencies adjustment to comprehensive income	**128**	**9**	**40**	**177**	(111)	(13)	(85)	(209)
Total changes in the statement of income & comprehensive income	**(2,088)**	**(3)**	**310**	**(1,781)**	(1,532)	60	546	(926)
Cash flows:								
Premiums paid net of ceding commissions and other directly attributable expenses paid	**2,287**	**-**	**-**	**2,287**	1,504	-	-	1,504
Incurred claims recovered and other insurance service expenses recovered	**(996)**	**-**	**-**	**(996)**	(166)	-	-	(166)
Total cash flows	**1,291**	**-**	**-**	**1,291**	1,338	-	-	1,338
Net closing balance	**14,782**	**1,904**	**12,574**	**29,260**	14,145	1,780	10,222	26,147
Closing liabilities	**463**	**14**	**(138)**	**339**	174	87	45	306
Closing assets	**14,319**	**1,890**	**12,712**	**28,921**	13,971	1,693	10,177	25,841
Net closing balance	**14,782**	**1,904**	**12,574**	**29,260**	14,145	1,780	10,222	26,147

6 BORROWINGS

	30 June 2026	*31 December 2025*	*30 June 2025*
	KD 000's	*KD 000's*	*KD 000's*
Relating to the parent company	**70,791**	65,542	50,866
Relating to subsidiaries	**1,088**	1,078	-
	71,879	66,620	50,866

For Parent Company's loans they are unsecured loans obtained from banks and payable as follows:

a) First loan is payable on annual installment basis beginning on 21 August 2022 with last installment to be due on 26 December 2027 and carries interest rate of 1.25% per annum over Central Bank of Kuwait discount rate. The balance of the term loan as at 30 June 2026 is KD 23,154 thousand (31 December 2025: KD 23,154 thousand and 30 June 2025: KD 28,116 thousand).

b) Second loan is payable on quarterly installment basis for a period of five years beginning on 30 September 2021 and carries an interest rate of 1.25% per annum over Central Bank of Kuwait discount rate and the last installment is due on 30 September 2026. The balance of the term loan as at 30 June 2026 is KD 13,387 thousand (31 December 2025: KD 13,387 thousand and 30 June 2025 KD 22,750 thousand). On 5 November 2025, the Parent Company restructured this term loan to be paid on annual installments beginning on 31 December 2025 with the last installment due on 31 December 2029 and carries an effective interest rate of 1.25% per annum over the Central Bank of Kuwait discount rate.

c) Third loan is payable on annual installment basis beginning on 31 March 2026 with last installment to be due on 31 March 2030 and carries interest rate of 1.25% per annum over Central Bank of Kuwait discount rate. The balance of the term loan as at 30 June 2026 is KD 17,500 thousand (31 December 2025: KD 20,000 thousand and 30 June 2025 KD Nil).

d) Revolving loans with balance of KD 16,750 thousand as at 30 June 2026 (31 December 2025: KD 9,000 thousand and 30 June 2025: KD Nil) and carries interest rate of 1.25% per annum over Central Bank of Kuwait discount rate.

For the loans related to subsidiaries:
The term loan relates to one of the Group's subsidiaries and is repayable in semi-annual instalments over five years, starting 11 May 2026 with the last instalment due on 11 November 2030. The loan is unsecured and bears interest at an annual rate of 6.45%.

7 SHARE CAPITAL AND TREASURY SHARES

a) Share capital

The authorised share capital of the Parent Company comprises of 350,000,000 shares (31 December 2025: 350,000,000 shares and 30 June 2025: 350,000,000 shares) of 100 fils each. The issued and fully paid-up share capital consists of 284,572,463 shares (31 December 2025: 284,572,463 shares and 30 June 2025: 284,572,463 shares) of 100 fils each.

b) Dividends

The Ordinary Annual General Assembly meeting of the Parent Company's shareholders held on 31 March 2026, approved the Board of Director's proposal for not distributing cash dividends to the shareholders for the year ended 31 December 2025 (KD 6,545 thousand for the year ended 31 December 2024).

8 SEGMENT INFORMATION

For the management purpose, the Group operates in two segments, insurance (subdivided into general risk insurance and life and medical) and investments; there are no inter-segment transactions. The following are the details of these two segments:

a) Segmental interim condensed consolidated statement of income:

	General risk insurance						*Life and Medical*		*Investments*		
Six months ended 30 June 2026	***Marine and aviation KD 000's***	***Motor vehicles KD 000's***	***Property KD 000's***	***Engineering KD 000's***	***General Insurance KD 000's***	***Liability KD 000's***	***Life KD 000's***	***Medical KD 000's***	***Investments KD 000's***	***Unallocated KD 000's***	***Total KD 000's***
Insurance service result before reinsurance contracts held	**14,883**	**8,707**	**(67,313)**	**7,052**	**11,624**	**142**	**8,199**	**7,179**	-	-	**(9,527)**
Net expense (income) from reinsurance contracts held	**(10,576)**	**(1,459)**	**67,826**	**(5,039)**	**(6,400)**	**2,999**	**(4,348)**	**(3,421)**	-	-	**39,582**
Net insurance and reinsurance finance expense	**(218)**	**(1,380)**	**(300)**	**(117)**	**(2,310)**	**(703)**	**(3,314)**	**(761)**	-	-	**(9,103)**
Net insurance financial result	**4,089**	**5,868**	**213**	**1,896**	**2,914**	**2,438**	**537**	**2,997**	-	-	**20,952**
Investment income	-	-	-	-	-	-	-	-	**13,686**	**-**	**13,686**
Investment expense	-	-	-	-	-	-	-	-	**(1,568)**	**-**	**(1,568)**
Interest expense	-	-	-	-	-	-	-	-	**20,940**	**-**	**20,940**
Share of results from associates	-	-	-	-	-	-	-	-	**1,758**	**-**	**1,758**
Non-attributable general and administrative expenses	-	-	-	-	-	-	-	-	**-**	**(18,046)**	**(18,046)**
Other income, net	-	-	-	-	-	-	-	-	**-**	**140**	**140**
Monetary loss from hyperinflation	-	-	-	-	-	-	-	-	**-**	**(1,917)**	**(1,917)**
Finance costs	-	-	-	-	-	-	-	-	**-**	**(1,924)**	**(1,924)**
Profit (loss) before taxation	**4,089**	**5,868**	**213**	**1,896**	**2,914**	**2,438**	**537**	**2,997**	**34,816**	**(21,747)**	**34,021**

8 SEGMENT INFORMATION (continued)

a) Segmental interim condensed consolidated statement of income: (continued)

	General risk insurance						*Life and Medical*		*Investments*		
Six months ended 30 June 2025	*Marine and aviation KD 000's*	*Motor vehicles KD 000's*	*Property KD 000's*	*Engineering KD 000's*	*General Insurance KD 000's*	*Liability KD 000's*	*Life KD 000's*	*Medical KD 000's*	*Investments KD 000's*	*Unallocated KD 000's*	*Total KD 000's*
Insurance service result before reinsurance contracts held	8,321	6,176	42,484	12,256	9,727	7,186	4,518	6,028	-	-	96,696
Net expense from reinsurance contracts held	(3,806)	(1,671)	(41,632)	(8,883)	(6,805)	(3,224)	(2,240)	(4,273)	-	-	(72,534)
Net insurance and reinsurance finance expense	(521)	(2,438)	(319)	(351)	125	(772)	(2,700)	(1,540)	-	-	(8,516)
Net insurance financial result	3,994	2,067	533	3,022	3,047	3,190	(422)	215	-	-	15,646
Investment income	-	-	-	-	-	-	-	-	7,759	-	7,759
Investment expense	-	-	-	-	-	-	-	-	(871)	-	(871)
Interest income	-	-	-	-	-	-	-	-	19,641	-	19,641
Share of results from associates	-	-	-	-	-	-	-	-	1,721	-	1,721
Non-attributable general and administrative expenses	-	-	-	-	-	-	-	-	-	(17,449)	(17,449)
Other expense, net	-	-	-	-	-	-	-	-	-	(1,215)	(1,215)
Monetary loss from hyperinflation	-	-	-	-	-	-	-	-	-	(2,461)	(2,461)
Finance costs	-	-	-	-	-	-	-	-	-	(2,322)	(2,322)
Profit (loss) before taxation	3,994	2,067	533	3,022	3,047	3,190	(422)	215	28,250	(23,447)	20,449

8 SEGMENT INFORMATION (continued)

b) Segmental interim condensed consolidated statement of financial position:

30 June 2026	***General risk insurance***						***Life and Medical***		***Investments***		
	Marine and aviation KD 000's	***Motor vehicles KD 000's***	***Property KD 000's***	***Engineering KD 000's***	***General Insurance KD 000's***	***Liability KD 000's***	***Life KD 000's***	***Medical KD 000's***	***Investments KD 000's***	***Unallocated KD 000's***	***Total KD 000's***
Segment assets	**22,989**	**6,974**	**213,140**	**28,088**	**6,643**	**18,103**	**38,194**	**42,684**	**758,398**	**367,604**	**1,502,817**
Segment liabilities	**27,307**	**183,818**	**279,589**	**48,027**	**45,832**	**35,242**	**128,962**	**119,996**	**-**	**207,015**	**1,075,788**

31 December 2025	*General risk insurance*						*Life and Medical*		*Investments*		
	Marine and aviation KD 000's	*Motor vehicles KD 000's*	*Property KD 000's*	*Engineering KD 000's*	*General Insurance KD 000's*	*Liability KD 000's*	*Life KD 000's*	*Medical KD 000's*	*Investments KD 000's*	*Unallocated KD 000's*	*Total KD 000's*
Segment assets	14,482	6,845	153,371	32,930	7,744	13,520	40,778	41,013	716,422	299,729	1,326,834
Segment liabilities	26,144	166,675	194,793	47,735	46,559	33,317	125,038	96,417	-	182,592	919,270

30 June 2025	*General risk insurance*						*Life and Medical*		*Investments*		
	Marine and aviation KD 000's	*Motor vehicles KD 000's*	*Property KD 000's*	*Engineering KD 000's*	*General Insurance KD 000's*	*Liability KD 000's*	*Life KD 000's*	*Medical KD 000's*	*Investments KD 000's*	*Unallocated KD 000's*	*Total KD 000's*
Segment assets	13,065	5,658	91,247	37,895	11,758	15,724	46,220	32,650	623,353	383,482	1,261,052
Segment liabilities	25,883	149,208	135,544	50,574	42,840	29,586	127,166	127,325	-	188,544	876,670

9 RELATED PARTY DISCLOSURES

Related parties represent associated companies, major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Parent Company's management.

Transactions with related parties included in the interim condensed consolidated statement of income are as follows:

	Six months ended 30 June 2026		*Six months ended 30 June 2025*	
	Revenue* KD 000's	***Expenses** KD 000's***	*Revenue* KD 000's*	*Expenses** KD 000's*
Associates	**444**	**88**	90	1
Entities under common control	**5**	**15**	100	1,452
	449	**103**	190	1,453

* Revenue represents the insurance revenue as disclosed in the interim condensed consolidated statement of income for the period ended 30 June 2026.

** Expenses represent the insurance service expenses, non-attributable general and administrative expenses and other income (expenses) as disclosed in the interim condensed consolidated statement of income for the period ended 30 June 2026.

Balances with related parties included in the interim condensed consolidated statement of financial position are as follows:

	30 June 2026			*31 December 2025*			*30 June 2025*		
	Amounts owed by related parties KD 000's	***Amounts owed to related Parties KD 000's***	***Financial assets at FVTPL KD 000's***	*Amounts owed by related parties KD 000's*	*Amounts owed to related parties KD 000's*	*Financial assets at FVTPL KD 000's*	*Amounts owed by related parties KD 000's*	*Amounts owed to related parties KD 000's*	*Financial assets at FVTPL KD 000's*
Shareholders	**-**	**(155)**	**3,211**	-	(154)	3,361	-	-	3,189
Directors and key management personnel	**-**	**-**	**-**	33	-	-	30	-	-
Entities under common control	**-**	**(258)**	**-**	-	(92)	-	94	220	-
Associate	**573**	**-**	**-**	348	-	-	381	-	-
	573	**(413)**	**3,211**	381	(246)	3,361	505	220	3,189

Compensation of key management personnel is as follows:

	Six months ended 30 June	
	2026 KD 000's	*2025 KD 000's*
Salaries and other short-term benefits	**297**	488
Employees' end of service benefits	**537**	317
	834	805

10 CONTINGENT LIABILITIES

As at 30 June 2026, the Group was contingently liable in respect of letters of guarantees amounting to KD 38,573 (31 December 2025: KD 40,907 thousand and 30 June 2025: KD 105,436).

11 TAXATION

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD 000's	*KD 000's*	***KD 000's***	*KD 000's*
Taxation from subsidiaries	**(2,064)**	(1,783)	**(4,490)**	(4,302)
Domestic Minimum Top-up Tax - outside Kuwait	**(644)**	-	**(1,009)**	-
	(2,708)	(1,783)	**(5,499)**	(4,302)

Kuwait Domestic Minimum Top-up Tax (DMTT)
The State of Kuwait issued Law No. 157 of 2024 on 31 December 2024 (the Law) introducing domestic minimum top-up tax (DMTT) effective from the year 2025 on entities which are part of multinational entities group (MNE Group) with annual revenues of EUR 750 million or more. The Law provides that a top-up tax shall be payable on the taxable income at a rate equal to the difference between 15% and the effective tax rate of all constituent entities of the MNE Group operating within Kuwait. The taxable income and effective tax rate are computed in accordance with the executive regulations issued through Ministerial Resolution No. 55 of 2025. The Law effectively replaces the existing National Labour Support Tax (NLST) and Zakat tax regimes in Kuwait for MNEs within the scope of this Law.

Overseas tax
During 2025, OECD Pillar Two tax reforms were introduced in many of the overseas jurisdictions where the Group operates. The Group has provided for additional tax liabilities arising from the implementation of Pillar two regulations in all applicable jurisdictions. Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Kuwait, the jurisdiction in which the Company is incorporated, and has come into effect from 1 January 2025. On 29 June 2025, Kuwait's Ministry of Finance (MOF) issued the Executive Regulations for Law No. 157 of 2024 (the Regulation), which governs the taxation of multinational enterprise (MNEs) groups operating in the State of Kuwait. The Regulations aim to interpret and clarify the provisions of the law, define procedures and implementation mechanisms, and provide a clear understanding for all relevant parties.

12 FAIR VALUE MEASUREMENT

Financial assets consist of, Cash and cash equivalents, time deposits, insurance and reinsurance contract assets, investments at fair value through profit or loss, investments at fair value through other comprehensive income, debt instruments at amortized cost and loans secured by life insurance policies and certain items within other assets. Financial liabilities consist of bank overdrafts, borrowings, insurance and reinsurance contract liabilities and certain items within other liabilities.

The fair values of financial instruments are not materially different from their carrying values. The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in an active market for identical assets and liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: other techniques which use inputs which have a significant effect on the recorded fair value are not based on observable market data.

The valuation techniques used are consistent with the audited financial statements for the year ended 31 December 2025.

12 FAIR VALUE MEASUREMENT (continued)

The following table provides the fair value measurement hierarchy of the Group's assets carried at fair value.

30 June 2026	***Fair value measurement using***			
	Level 1 KD 000's	***Level 2 KD 000's***	***Level 3 KD 000's***	***Total KD 000's***
Investments at FVTPL				
Quoted equity securities	**116,421**	**-**	**-**	**116,421**
Unquoted equity securities	**-**	**-**	**9,771**	**9,771**
Quoted managed funds	**26,713**	**-**	**-**	**26,713**
Unquoted managed funds	**-**	**49**	**16,970**	**17,019**
Quoted bonds	**43,625**	**-**	**-**	**43,625**
Unquoted bonds	**-**	**-**	**8,923**	**8,923**
	186,759	**49**	**35,664**	**222,472**
Investments at FVOCI				
Quoted equity securities	**17,013**	**-**	**-**	**17,013**
Unquoted equity securities	**-**	**-**	**11,468**	**11,468**
Unquoted managed funds	**-**	**225**	**-**	**225**
Quoted bonds	**362,984**	**-**	**-**	**362,984**
Unquoted bonds	**-**	**2,144**	**2,849**	**4,993**
	379,997	**2,369**	**14,317**	**396,683**
Property and equipment				
Land	**-**	**11,666**	**-**	**11,666**
Buildings	**-**	**22,506**	**-**	**22,506**
Investment properties	**-**	**7,373**	**-**	**7,373**
Total	**566,756**	**43,963**	**49,981**	**660,700**

31 December 2025	*Fair value measurement using*			
	Level 1 KD 000's	*Level 2 KD 000's*	*Level 3 KD 000's*	*Total KD 000's*
Investments at FVTPL				
Quoted equity securities	87,811	-	-	87,811
Unquoted equity securities	-	-	9,779	9,779
Quoted managed funds	23,704	-	-	23,704
Unquoted managed funds	-	-	16,003	16,003
Quoted bonds	31,170	-	-	31,170
Unquoted bonds	-	-	8,909	8,909
	142,685	-	34,691	177,376
Investments at FVOCI				
Quoted equity securities	17,497	-	-	17,497
Unquoted equity securities	-	-	11,713	11,713
Unquoted managed funds	-	200	-	200
Quoted bonds	359,290	-	-	359,290
Unquoted bonds	-	-	3,458	3,458
	376,787	200	15,171	392,158
Property and equipment				
Land	-	11,699	-	11,699
Buildings	-	22,607	-	22,607
Investment properties	-	7,359	-	7,359
Total	519,472	41,865	49,862	611,199

12 FAIR VALUE MEASUREMENT (continued)

30 June 2025	*Fair value measurement using*			
	Level 1 *KD 000's*	*Level 2* *KD 000's*	*Level 3* *KD 000's*	*Total* *KD 000's*
Investments at FVTPL				
Quoted equity securities	58,496	-	-	58,496
Unquoted equity securities	-	-	10,681	10,681
Quoted managed funds	21,308	-	-	21,308
Unquoted managed funds	-	-	13,975	13,975
Quoted bonds	27,294	-	-	27,294
Unquoted bonds	-	-	8,841	8,841
	107,098	-	33,497	140,595
Investments at FVOCI				
Quoted equity securities	17,471	-	-	17,471
Unquoted equity securities	-	-	10,666	10,666
Unquoted managed funds	-	164	-	164
Quoted bonds	342,950	-	-	342,950
Unquoted bonds	-	-	4,450	4,450
	360,421	164	15,116	375,701
Property and equipment				
Land	-	11,411	-	11,411
Buildings	-	19,390	-	19,390
Investment properties	-	6,624	-	6,624
Total	467,519	37,589	48,613	553,721

The following table shows a reconciliation of the opening and closing amount of level 3 financial assets which are recorded at fair value.

Six months ended 30 June 2026	***As at 1 January 2026 KD 000's***	***Change in fair value recorded in the interim consolidated statement of income KD 000's***	***Change in fair value recorded in the interim consolidated statement of comprehensive income KD 000's***	***Net additions and disposals KD 000's***	***As at 30 June 2026 KD 000's***
Investments at FVTPL					
Unquoted equity securities	**9,779**	**(5)**	**-**	**(3)**	**9,771**
Unquoted managed funds	**16,003**	**1,065**	**-**	**(98)**	**16,970**
Unquoted bonds	**8,909**	**(20)**	**-**	**34**	**8,923**
	34,691	**1,040**	**-**	**(67)**	**35,664**
Investments at FVOCI					
Unquoted equity securities	**11,713**	**-**	**(245)**	**-**	**11,468**
Unquoted bonds	**3,458**	**-**	**7**	**(616)**	**2,849**
	15,171	**-**	**(238)**	**(616)**	**14,317**

12 FAIR VALUE MEASUREMENT (continued)

Year ended 31 December 2025	*As at 1 January 2025 KD 000's*	*Change in fair value recorded in the consolidated statement of income KD 000's*	*Change in fair value recorded in the consolidated statement of comprehensive income KD 000's*	*Net additions and disposals KD 000's*	*At 31 December 2025 KD 000's*
Investments at FVTPL					
Unquoted equity securities	10,594	(1,338)	-	523	9,779
Unquoted managed funds	7,843	2,208	-	5,952	16,003
Unquoted bonds	4,300	1,516	-	3,093	8,909
	22,737	2,386	-	9,568	34,691
Investments at FVOCI					
Unquoted equity securities	10,513	-	1,030	170	11,713
Unquoted managed funds	45	-	-	(45)	-
Unquoted bonds	-	-	(23)	3,481	3,458
	10,558	-	1,007	3,606	15,171

Six months ended 30 June 2025	*As at 1 January 2025 KD 000's*	*Change in fair value recorded in the interim consolidated statement of income KD 000's*	*Change in fair value recorded in the interim consolidated statement of comprehensive income KD 000's*	*Net additions and disposals KD 000's*	*As at 30 June 2025 KD 000's*
Investments at FVTPL					
Unquoted equity securities	10,594	79	-	8	10,681
Unquoted managed funds	7,843	643	-	5,489	13,975
Unquoted bonds	4,300	361	-	4,180	8,841
	22,737	1,083	-	9,677	33,497
Investments at FVOCI					
Unquoted equity securities	10,513	-	183	(30)	10,666
Unquoted managed funds	45	-	-	(45)	-
Unquoted bonds	-	-	(23)	4,473	4,450
	10,558	-	160	4,398	15,116

Description of significant unobservable inputs to valuation of financial assets:

Unquoted managed funds are valued based on net assets value method using latest available financial statements of the funds and securities, wherein the underlying assets are fair valued. Unquoted equity securities and unquoted bonds are valued based on discounted cash flows (DCF) under the Income Approach. The main assumptions for unquoted equity securities include the discount rate and terminal growth rate. The main assumptions for unquoted bonds include the discount rate, credit risk, market interest rates, and liquidity considerations.

13 IMPACTS OF GEOPOLITICAL CONFLICT IN MIDDLE EAST

During the period ended 30 June 2026, geopolitical instability in the region increased following the outbreak of armed conflict between the United States and Iran. The Group maintains operations throughout the Middle East, predominantly within the GCC, and has undertaken an assessment of how these developments may affect its business activities.

The Group's exposure to war risk and political violence is limited and does not have a material impact on the portfolio on a net basis. War is a standard exclusion across most policies, with coverage provided only under specific lines such as Cargo War, Hull War, and Political Violence. Certain Group Life policies may also include limited coverage for passive war risks. All exposures relating to war and political violence are largely reinsured on a facultative basis and through group arrangements with highly rated reinsurers, resulting in minimal net retention for the Group.

During the six-month period ended 30 June 2026, the Group was notified of certain large claims. Based on information available as at 30 June 2026, management estimated the gross ultimate cost of these claims to be approximately KD 98 million, which is fully reinsured to highly rated reinsurance companies While the net impact of these exceptional claims on the Group’s insurance service results for the period was not material, they had a material impact on the composition of insurance contract liabilities, reinsurance contract assets, insurance service expense and net income from reinsurance contracts held. Accordingly, the results for the six-month period ended 30 June 2026 may not be directly comparable with prior periods.

In evaluating insurance contract liabilities, management reviewed the continued suitability of the critical IFRS 17 assumptions and methodologies applied as of 31 December 2025. This review included key considerations such as risk adjustment for non-financial risk, discount rates, and claims reserving/IBNR estimation approaches. As of the reporting date of this interim condensed consolidated financial information management determined that the existing assumptions and methodologies remain appropriate. Nevertheless, given the increased uncertainty in the region, the Group evaluated carefully the IBNR estimation and considered provisions for events not in data as extreme event adjustments to account for potential adverse development and reporting lags.

The situation remains dynamic, and the Group will continue to closely monitor developments and assess their potential impact on claims experience, reinsurance recoverability, and relevant market variables for future reporting periods.