

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

**REVIEW REPORT AND INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION
(UNAUDITED)**

FOR THE PERIOD ENDED 31 MARCH 2025

Gulf Insurance Group K.S.C.P. and its Subsidiaries
Interim condensed consolidated financial information (unaudited)
for the three-month period ended 31 March 2025
(All amounts are expressed in Kuwaiti Dinars unless otherwise stated)

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Report on review of interim condensed consolidated financial information to the 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 31 March 2025, and the related condensed consolidated interim statements of income, statement of comprehensive income, statement of changes in equity and statement of cash flows for the three-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 three-month period ended 31 March 2025, 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 three-month period ended 31 March 2025 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.

Khalid Ebrahim Al-Shatti
License No.175
PricewaterhouseCoopers (Al-Shatti & Co.)

15 May 2025
Kuwait

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the period ended 31 March 2025

		<i>Three months ended</i>	
		<i>31 March</i>	
		2025	2024
	<i>Notes</i>	KD 000's	KD 000's
Revenue:			
Insurance revenue	5	177,840	212,726
Insurance service expenses	5	(123,521)	(175,641)
Insurance service result before reinsurance contracts held		54,319	37,085
Net expense from reinsurance contracts held	5	(41,349)	(27,091)
Insurance service result		12,970	9,994
Finance expense from insurance contracts issued	5	(8,290)	(7,192)
Finance income from reinsurance contracts held	5	3,992	3,426
Net insurance financial result		8,672	6,228
Net investment income	3	1,688	8,334
Interest income		9,570	8,289
Share of results from associates		877	2,969
Non-attributable general and administrative expenses		(8,272)	(11,153)
Other income (expenses) net		1,029	(712)
Monetary loss from hyperinflation		(1,700)	(351)
Finance costs		(1,148)	(1,715)
PROFIT FOR THE PERIOD BEFORE CONTRIBUTION TO KFAS AND TAXATION		10,716	11,889
Contribution to KFAS		(85)	(129)
PROFIT FOR THE PERIOD BEFORE TAXATION		10,631	11,760
Taxation	11	(2,519)	(1,585)
PROFIT FOR THE PERIOD		8,112	10,175
Attributable to:			
Equity holders of the Parent Company		6,580	10,947
Non-controlling interests		1,532	(772)
		8,112	10,175
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	4	20.42 fils	35.84 fils

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(UNAUDITED)

For the period ended 31 March 2025

	<i>Three months ended</i>	
	<i>31 March</i>	
	2025	2024
	KD 000's	KD 000's
Profit for the period	8,112	10,175
Other comprehensive income (loss):		
<i>Items that are or may be subsequently reclassified to interim condensed consolidated statement of income:</i>		
- Exchange differences on translation of foreign operations	(1,332)	(12,529)
- Change in fair value of financial assets at FVOCI (debt instruments)	3,034	156
- Share of other comprehensive income of associates	7	-
- Finance (expense) income from insurance contracts issued	(278)	495
- Finance income (expense) from reinsurance contracts held	149	(260)
- Hyperinflation impact	1,061	(3,534)
	2,641	(15,672)
<i>Items that will not subsequently reclassified to interim condensed consolidated statement of income:</i>		
- Change in fair value of investments at FVOCI	(834)	3,993
- Share of other comprehensive income of associates	1	(3)
- Revaluation of pension plans	-	10
	(833)	4,000
Other comprehensive income (loss) for the period	1,808	(11,672)
Total comprehensive income (loss) for the period	9,920	(1,497)
Attributable to:		
Equity holders of the Parent Company	6,968	784
Non-controlling interests	2,952	(2,281)
	9,920	(1,497)

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

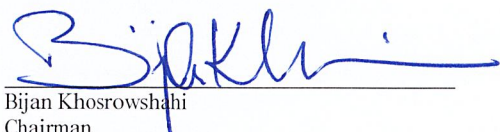
Gulf Insurance Group K.S.C.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(UNAUDITED)

As at 31 March 2025

	Notes	31 March 2025 KD 000's	31 December 2024 KD 000's	31 March 2024 KD 000's
ASSETS				
Cash and cash equivalents		193,193	160,847	184,402
Time deposits		44,028	36,989	59,731
Insurance contract assets	5	16,005	29,021	11,185
Reinsurance contract assets	5	231,525	264,195	227,371
Investments carried at fair value through profit or loss		120,697	121,238	92,509
Investments carried at fair value through other comprehensive income		374,337	374,097	347,731
Other assets		37,109	28,078	33,512
Deferred tax assets from foreign subsidiaries		2,722	2,566	3,449
Right of use assets		6,532	5,897	5,957
Investments in associates		22,913	24,126	26,498
Investment properties		6,668	6,656	7,623
Debt instruments at amortised cost		73,819	72,995	72,926
Property and equipment		36,045	35,921	36,135
Intangible assets		40,201	41,518	44,893
Goodwill		33,402	33,395	33,352
Loans secured by life insurance policies		133	138	186
		<u>1,239,329</u>	<u>1,237,677</u>	<u>1,187,460</u>
Disposal group held for sale		-	-	10,533
TOTAL ASSETS		<u>1,239,329</u>	<u>1,237,677</u>	<u>1,197,993</u>
LIABILITIES AND EQUITY				
LIABILITIES				
Insurance contract liabilities	5	633,522	634,503	623,487
Reinsurance contract liabilities	5	25,640	22,461	24,074
Bank overdrafts		-	-	244
Term loans	6	50,866	50,866	52,616
Income tax payable		14,732	11,986	12,288
Deferred tax payable from foreign subsidiaries		2,501	2,408	2,430
Other liabilities		101,534	112,859	89,737
Provision for end of service benefits		17,534	17,313	17,616
Lease liabilities		5,867	5,225	5,517
Total liabilities		<u>852,196</u>	<u>857,621</u>	<u>828,009</u>
Equity				
Share capital	7	28,457	28,457	28,457
Share premium		50,947	50,947	50,947
Treasury shares	7	-	-	(429)
Treasury shares reserve		4,268	4,268	3,099
Statutory reserve		28,457	28,457	28,457
Voluntary reserve		40,671	40,671	40,671
Effect of changes in ownership interest of subsidiaries		(2,705)	(2,671)	(2,682)
Other reserves		(1,502)	(1,502)	(1,851)
Insurance and reinsurance finance reserve		885	1,014	1,074
Cumulative changes in fair value reserve		5,157	4,183	3,889
Foreign currency translation adjustments		(50,652)	(50,195)	(54,383)
Revaluation reserve		14,607	14,607	16,014
Retained earnings		130,133	124,323	122,942
Equity attributable to the equity holders of the Parent Company		<u>248,723</u>	<u>242,559</u>	<u>236,205</u>
Subordinated perpetual Tier 2 bonds		60,000	60,000	60,000
Non-controlling interests		78,410	77,497	73,779
Total equity		<u>387,133</u>	<u>380,056</u>	<u>369,984</u>
TOTAL LIABILITIES AND EQUITY		<u>1,239,329</u>	<u>1,237,677</u>	<u>1,197,993</u>


Bijan Khosrowshahi
Chairman

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 31 March 2025

	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 31 December 2024	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	-	-	-	-	-	-	-	-	-	-	-	6,580	6,580	-	1,532	8,112
Other comprehensive (loss) income for the period	-	-	-	-	-	-	-	(129)	974	(457)	-	-	388	-	1,420	1,808
Total comprehensive (loss) income for the period	-	-	-	-	-	-	-	(129)	974	(457)	-	6,580	6,968	-	2,952	9,920
Interest on subordinated perpetual tier 2 bonds	-	-	-	-	-	-	-	-	-	-	-	(738)	(738)	-	-	(738)
Amortization of subordinated Tier 2 Bonds transactions costs	-	-	-	-	-	-	-	-	-	-	-	(32)	(32)	-	-	(32)
Acquisition of non-controlling interest	-	-	-	-	-	(34)	-	-	-	-	-	-	(34)	-	(589)	(623)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,450)	(1,450)
As at 31 March 2025	28,457	50,947	4,268	28,457	40,671	(2,705)	(1,502)	885	5,157	(50,652)	14,607	130,133	248,723	60,000	78,410	387,133

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 31 March 2025

	<i>Attributable to equity holders of the Parent Company</i>																
	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Treasury shares reserve</i>	<i>Statutory reserve</i>	<i>Voluntary reserve</i>	<i>Effect of changes in Interest of Subsidiaries</i>	<i>Other reserves</i>	<i>Insurance and reinsurance finance reserve</i>	<i>Cumulative changes in fair values</i>	<i>Foreign currency translation adjustments</i>	<i>Revaluation reserve</i>	<i>Retained earnings</i>	<i>Sub-total</i>	<i>Subordinated perpetual tier 2 bonds</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
As at 31 December 2023	28,457	50,947	(429)	3,099	28,457	40,671	(2,837)	(1,643)	839	(771)	(39,315)	16,014	112,770	236,259	60,000	77,884	374,143
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	10,947	10,947	-	(772)	10,175
Other comprehensive income (loss) for the period	-	-	-	-	-	-	-	10	235	4,660	(15,068)	-	-	(10,163)	-	(1,509)	(11,672)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	-	10	235	4,660	(15,068)	-	10,947	784	-	(2,281)	(1,497)
Interest on subordinated perpetual tier 2 bonds	-	-	-	-	-	-	-	-	-	-	-	-	(744)	(744)	-	-	(744)
Amortization of subordinated Tier 2 Bonds transactions costs	-	-	-	-	-	-	-	-	-	-	-	-	(31)	(31)	-	-	(31)
Movement in other reserves	-	-	-	-	-	-	-	(218)	-	-	-	-	-	(218)	-	(172)	(390)
Acquisition of non-controlling interest	-	-	-	-	-	-	155	-	-	-	-	-	-	155	-	(189)	(34)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,463)	(1,463)
As at 31 March 2024	28,457	50,947	(429)	3,099	28,457	40,671	(2,682)	(1,851)	1,074	3,889	(54,383)	16,014	122,942	236,205	60,000	73,779	369,984

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(UNAUDITED)

For the period ended 31 March 2025

	<i>Three months ended 31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>KD 000's</i>	<i>KD 000's</i>
OPERATING ACTIVITIES		
Profit for the period before contribution to KFAS and taxation	10,716	11,889
<i>Adjustments for:</i>		
Net investment income	(1,688)	(8,334)
Interest income	(9,569)	(8,288)
Share of results of associates	(877)	(2,969)
Depreciation of property and equipment	536	640
Amortisation of intangible assets and right of use assets	2,311	1,726
Impairment of intangible assets	87	-
Gain on sale of property and equipment	(14)	-
Finance costs	1,148	1,715
Monetary loss from hyperinflation	1,700	(351)
Provision charged for end of service benefits	497	791
	4,847	(3,181)
<i>Changes in operating assets and liabilities:</i>		
Insurance contract assets	12,738	(4,215)
Reinsurance contract assets	32,819	14,898
Other assets	(9,061)	2,558
Insurance contract liabilities	(981)	45,641
Reinsurance contract liabilities	3,179	(11,979)
Other liabilities	(10,990)	(9,329)
	32,551	34,393
Provision for end of service benefits paid	(272)	(258)
Payment of taxes	(251)	(906)
Net cash flows from operating activities	32,028	33,229
INVESTING ACTIVITIES		
Movement in time deposits	(6,735)	2,943
Net movement of investments at fair value through profit or loss and at fair value through other comprehensive income	2,169	(6,123)
Net movement of debt instruments at amortized cost	(654)	3,969
Net movement in loans secured by life insurance policies	4	433
Purchase of property and equipment	(605)	(543)
Proceeds from sale of property and equipment	22	27
Rental income received	113	-
Additions of intangible assets	(625)	(464)
Proceeds from sale of intangible assets	-	255
Interest income received	9,569	8,288
Dividend income received	1,446	1,118
Dividend received from associates	2,098	139
Acquisition of non-controlling interest	(622)	(34)
Net cash flows from investing activities	6,180	10,008
FINANCING ACTIVITIES		
Payment of lease liabilities	(481)	(426)
Term loans paid	-	(500)
Finance costs paid	(1,070)	(1,715)
Interest on subordinated perpetual Tier 2 bonds	(738)	(744)
Dividends paid to non-controlling interests	(1,450)	(1,463)
Net cash flows used in financing activities	(3,739)	(4,848)
NET INCREASE IN CASH AND CASH EQUIVALENTS	34,469	38,389
Net foreign exchange difference	(2,123)	(7,554)
Cash and cash equivalents at 1 January	160,847	153,323
CASH AND CASH EQUIVALENTS AT 31 MARCH	193,193	184,158

The attached notes 1 to 12 form part of this interim condensed consolidated financial information.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025

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 **15 May 2025**.

The Ordinary Annual General Assembly meeting of the Parent Company’s shareholders held on 8 May 2025, approved the consolidated financial statements for the year ended 31 December 2024 and approved the Board of Director’s proposal for distributing cash dividends to the shareholders of 23 fils per share.

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 Bursa 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 2024: 97.06% and 31 March 2024: 90.01%) 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 2024. Operating results for the three months period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

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 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

3 NET INVESTMENT INCOME

	<i>Three months ended 31 March</i>	
	2025	2024
	KD 000's	KD 000's
Net (loss) gain on investments at fair value through profit or loss	(153)	4,528
Dividend income	1,446	1,118
Foreign exchange gain	786	2,567
Rental income from investment properties	91	104
Other investment (expense) income, net	(482)	17
	1,688	8,334

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.

	<i>Three months ended 31 March</i>	
	2025	2024*
	KD 000's	KD 000's
Profit attributable to equity holders of the Parent Company	6,580	10,947
Less: Interest and amortization on subordinated perpetual tier 2 bonds (KD 000's)	(770)	(775)
	5,810	10,172
	Shares	Shares
Weighted average number of shares, less treasury shares outstanding during the period	284,572,458	283,751,062
Basic and diluted earnings per share	20.42 fils	35.84 fils

*the prior period has been restated to reflect adjusting of the interest of subordinated perpetual tier 2 bond from the profit attributable to equity holders of the Parent company As per International Accounting Standard 33 ("IAS 33") the earning per share is calculated by dividing the profit attributable to equity holders of the parent company after adjusting the interest and dividends for the preference shares, resulting in a decrease of 2.74 fils per share from what was previously reported.

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

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

5 INSURANCE CONTRACT ASSETS/LIABILITIES

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

	Liabilities for remaining coverage (LRC)		31 March 2025 Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		31 March 2024 Liabilities for incurred claims (LIC)		
			Estimates of the present value of future cash flows	Risk adjustment	Total			Estimates of the present value of future cash flows	Risk adjustment	Total
	Excluding loss component KD 000'	Loss component KD 000'	future cash flows KD 000'	KD 000'	KD 000'	Excluding loss component KD 000'	Loss component KD 000'	future cash flows KD 000'	KD 000'	KD 000'
Opening liabilities	128,253	8,481	382,517	35,104	554,355	79,190	8,240	365,289	37,631	490,350
Opening assets	(98,548)	35	67,893	1,363	(29,257)	(53,184)	-	45,780	1,007	(6,397)
Net opening balance	29,705	8,516	450,410	36,467	525,098	26,006	8,240	411,069	38,638	483,953
Insurance revenue	(173,968)	-	-	-	(173,968)	(209,123)	-	-	-	(209,123)
<i>Insurance service expenses:</i>										
Incurred claims	-	(2,398)	113,788	6,349	117,739	-	383	210,229	10,943	221,555
Other directly attributable expenses	-	-	12,444	-	12,444	-	-	11,298	-	11,298
Changes that relate to past service-Changes in FCF relating to LIC	-	-	(24,448)	(9,496)	(33,944)	-	-	(66,888)	(12,667)	(79,555)
Loss (reversals) on onerous contracts	-	2,766	-	-	2,766	-	(962)	-	-	(962)
Insurance acquisition cash flows amortization	22,098	-	-	-	22,098	22,676	-	-	-	22,676
Insurance service expenses	22,098	368	101,784	(3,147)	121,103	22,676	(579)	154,639	(1,724)	175,012
Insurance service result	(151,870)	368	101,784	(3,147)	(52,865)	(186,447)	(579)	154,639	(1,724)	(34,111)
Net finance expense from insurance contracts	-	-	5,913	856	6,769	-	-	5,169	1,261	6,430
Foreign currencies adjustment to comprehensive income	(796)	6	(848)	2	(1,636)	(3,421)	10	(5,005)	(275)	(8,691)
Total changes in the statement of income and OCI	(152,666)	374	106,849	(2,289)	(47,732)	(189,868)	(569)	154,803	(738)	(36,372)
Investment components	-	-	-	-	-	-	-	-	-	-
<i>Cash flows</i>										
Premiums received	186,366	-	-	-	186,366	289,351	-	-	-	289,351
Claims and other directly attributable expenses paid	-	-	(110,041)	3	(110,038)	-	-	(177,823)	-	(177,823)
Insurance acquisition cash flows	(26,628)	-	-	-	(26,628)	(27,065)	-	-	-	(27,065)
Total cash flows	159,738	-	(110,041)	3	49,700	262,286	-	(177,823)	-	84,463
Net closing balance	36,777	8,890	447,218	34,181	527,066	98,424	7,671	388,049	37,900	532,044
Closing liabilities	62,748	8,802	438,316	33,467	543,333	117,586	6,822	380,907	37,284	542,599
Closing assets	(25,971)	88	8,902	714	(16,267)	(19,162)	849	7,142	616	(10,555)
Net closing balance	36,777	8,890	447,218	34,181	527,066	98,424	7,671	388,049	37,900	532,044

Gulf Insurance Company K.S.C. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

5 INSURANCE CONTRACT ASSETS/LIABILITIES (continued)

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

	Liabilities for remaining coverage (LRC)		31 March 2025 Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		31 March 2024 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	72,435	916	6,042	755	80,148	78,386	3,935	4,663	512	87,496
Opening assets	(133)	369	-	-	236	(621)	2	41	5	(573)
Net opening balance	72,302	1,285	6,042	755	80,384	77,765	3,937	4,704	517	86,923
Insurance revenue	(3,872)	-	-	-	(3,872)	(3,603)	-	-	-	(3,603)
<i>Insurance service expenses:</i>										
Incurred claims	-	(57)	1,409	107	1,459	-	(2,385)	873	1,246	(266)
Other directly attributable expenses	-	-	331	-	331	-	-	43	-	43
Changes that relate to past service-Changes in FCF relating to LIC	-	-	824	(49)	775	-	-	315	(55)	260
Loss (reversals) on onerous contracts	-	(29)	-	-	(29)	-	798	-	-	798
Insurance acquisition cash flows amortization	(118)	-	-	-	(118)	(206)	-	-	-	(206)
Insurance service expenses	(118)	(86)	2,564	58	2,418	(206)	(1,587)	1,231	1,191	629
Insurance service result	(3,990)	(86)	2,564	58	(1,454)	(3,809)	(1,587)	1,231	1,191	(2,974)
Net finance expense from insurance contracts	1,733	14	40	12	1,799	286	3	(26)	4	267
Foreign currencies adjustment to comprehensive income	5,997	1	1	-	5,999	(4,662)	(640)	(2)	(3)	(5,307)
Total changes in the statement of income and OCI	3,740	(71)	2,605	70	6,344	(8,185)	(2,224)	1,203	1,192	(8,014)
Investment components	(748)	-	748	-	-	(987)	-	(222)	1,209	-
<i>Cash flows</i>										
Premiums received	6,084	-	-	-	6,084	6,284	-	-	-	6,284
Claims and other directly attributable expenses paid	-	-	(1,893)	-	(1,893)	-	-	(820)	(2,375)	(3,195)
Insurance acquisition cash flows	(468)	-	-	-	(468)	(1,740)	-	-	-	(1,740)
Total cash flows	5,616	-	(1,893)	-	3,723	4,544	-	(820)	(2,375)	1,349
Net closing balance	80,910	1,214	7,502	825	90,451	73,137	1,713	4,865	543	80,258
Closing liabilities	81,011	851	7,502	825	90,189	73,815	1,713	4,822	538	80,888
Closing assets	(101)	363	-	-	262	(678)	-	43	5	(630)
Net closing balance	80,910	1,214	7,502	825	90,451	73,137	1,713	4,865	543	80,258

Gulf Insurance Company K.S.C. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

5 INSURANCE CONTRACT ASSETS/LIABILITIES (continued)

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

	31 March 2025				31 March 2024			
	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	49,958	3,691	26,499	80,148	52,356	3,760	31,380	87,496
Opening assets	167	2	67	236	(1,452)	165	714	(573)
Net opening balance	50,125	3,693	26,566	80,384	50,904	3,925	32,094	86,923
<i>Changes that relate to current services:</i>								
CSM recognized in statement of income for services provided	-	-	(1,707)	(1,707)	-	-	859	859
Changes in risk adjustment for risks expired	-	(238)	-	(238)	-	270	-	270
Experience Adjustments-Premium and Associated Cashflows	(1,608)	-	-	(1,608)	(461)	-	-	(461)
Experience adjustments-relating to insurance service expenses	1,198	107	-	1,305	(4,614)	-	-	(4,614)
	(410)	(131)	(1,707)	(2,248)	(5,075)	270	859	(3,946)
<i>Changes that relate to future services:</i>								
Changes in estimates that adjust the CSM	1,297	1,028	(2,328)	(3)	7,837	(645)	(7,185)	7
Changes in estimate that results in onerous contract losses or (reversal) of such losses	986	(1,016)	-	(30)	812	(76)	-	736
Contracts initially recognized during the year	(2,211)	180	2,044	13	(1,557)	228	1,374	45
Experience adjustments-arising from premiums received in the period that relate to future service	(2,467)	-	2,467	-	(40)	-	39	(1)
	(2,395)	192	2,183	(20)	7,052	(493)	(5,772)	787
<i>Changes that relate to past services:</i>								
Changes that relate to past service- changes in the FCF relating to the LIC	863	(49)	-	814	240	(55)	-	185
Insurance service result	(1,942)	12	476	(1,454)	2,217	(278)	(4,913)	(2,974)
Net finance expense from insurance contracts	426	191	1,182	1,799	1,443	35	(1,211)	267
Foreign currencies adjustment to comprehensive income	5,961	3	35	5,999	(1,323)	(293)	(3,691)	(5,307)
Total changes in the statement of income and OCI	4,445	206	1,693	6,344	2,337	(536)	(9,815)	(8,014)
Investment component variance	-	-	-	-	-	-	-	-
<i>Cash flows:</i>								
Premiums received	6,084	-	-	6,084	6,284	-	-	6,284
Claims and other directly attributable expenses paid	(1,893)	-	-	(1,893)	(3,195)	-	-	(3,195)
Insurance acquisition cash flows	(468)	-	-	(468)	(1,740)	-	-	(1,740)
Total cash flows	3,723	-	-	3,723	1,349	-	-	1,349
Net closing balance	58,293	3,899	28,259	90,451	54,590	3,389	22,279	80,258
Closing liabilities	58,085	3,896	28,208	90,189	56,252	3,203	21,433	80,888
Closing assets	208	3	51	262	(1,662)	186	846	(630)
Net closing balance	58,293	3,899	28,259	90,451	54,590	3,389	22,279	80,258

Gulf Insurance Company K.S.C. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

5 INSURANCE CONTRACT ASSETS/LIABILITIES (continued)

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

	Assets for remaining coverage (ARC)		31 March 2025 Assets for amounts recoverable on incurred claims (AIC)			Assets for remaining coverage (ARC)		31 March 2024 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	(40,611)	-	16,814	1,430	(22,367)	(43,466)	-	7,070	505	(35,891)
Opening assets	(15,115)	-	237,370	16,111	238,366	(73,279)	-	272,504	17,670	216,895
Net opening balance	(55,726)	-	254,184	17,541	215,999	(116,745)	-	279,574	18,175	181,004
Reinsurance expenses	(59,760)	-	-	-	(59,760)	(84,501)	-	-	-	(84,501)
<i>Amounts recoverable from reinsurers:</i>										
Incurring claims recovery	-	-	34,331	2,649	36,980	-	-	193,069	4,504	197,573
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	-	-	(13,433)	(4,823)	(18,256)	-	-	(132,428)	(6,704)	(139,132)
Change in provision for risk of non-performance	-	-	511	-	511	-	-	(478)	-	(478)
Net expense from reinsurance contracts held	(59,760)	-	21,409	(2,174)	(40,525)	(84,501)	-	60,163	(2,200)	(26,538)
Net finance income from reinsurance contracts	-	-	3,236	336	3,572	-	-	2,600	575	3,175
Foreign currencies adjustment to comprehensive income	(143)	-	(732)	(8)	(883)	2,342	-	(4,900)	(304)	(2,862)
Total amounts recognised in statement of income and OCI	(59,903)	-	23,913	(1,846)	(37,836)	(82,159)	-	57,863	(1,929)	(26,225)
Cash flows:										
Premiums paid	52,029	-	-	-	52,029	87,300	-	(157)	-	87,143
Claims and other recoveries	-	-	(51,943)	-	(51,943)	-	-	(64,256)	-	(64,256)
Total cash flows	52,029	-	(51,943)	-	86	87,300	-	(64,413)	-	22,887
Net closing balance	(63,600)	-	226,154	15,695	178,249	(111,604)	-	273,024	16,246	177,666
Closing liabilities	(45,838)	-	18,984	1,197	(25,657)	(36,508)	-	12,007	627	(23,874)
Closing assets	(17,762)	-	207,170	14,498	203,906	(75,096)	-	261,017	15,619	201,540
Net closing balance	(63,600)	-	226,154	15,695	178,249	(111,604)	-	273,024	16,246	177,666

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

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

	31 March 2025					31 March 2024				
	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	(264)	120	49	1	(94)	(358)	127	69	-	(162)
Opening assets	20,354	184	4,856	435	25,829	22,257	25	2,780	312	25,374
Net opening balance	20,090	304	4,905	436	25,735	21,899	152	2,849	312	25,212
Changes in the statement of income:										
<i>Allocation of reinsurance premiums:</i>										
Reinsurance expenses	(1,774)	-	-	-	(1,774)	(1,365)	-	-	-	(1,365)
<i>Amounts recoverable from reinsurers:</i>										
Incurred claims recovery	-	-	1,733	55	1,788	-	-	583	41	624
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	-	-	(861)	(23)	(884)	-	-	202	(31)	171
Income on initial recognition of onerous underlying contracts	-	(1)	-	-	(1)	-	-	-	-	-
Reversal of a loss recovery component other than changes in FCF for RI contracts held	-	-	-	-	-	-	3	-	-	3
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	71	(24)	-	-	47	-	14	-	-	14
Net (expense) income from reinsurance contracts held	(1,703)	(25)	872	32	(824)	(1,365)	17	785	10	(553)
Net finance income (expense) from reinsurance contracts	531	3	29	6	569	2	1	(13)	1	(9)
Foreign currencies adjustment to comprehensive income	6	-	2	-	8	10	-	4	-	14
Total amounts recognised in statement of income and OCI	(1,166)	(22)	903	38	(247)	(1,353)	18	776	11	(548)
Cash flows:										
Premiums paid net of ceding commissions and other directly attributable expenses	2,397	-	-	-	2,397	1,625	-	-	-	1,625
Recoveries from reinsurance	-	-	(249)	-	(249)	-	-	(658)	-	(658)
Total cash flows	2,397	-	(249)	-	2,148	1,625	-	(658)	-	967
Net closing balance	21,321	282	5,559	474	27,636	22,171	170	2,967	323	25,631
Closing liabilities	(68)	48	34	3	17	(402)	130	72	-	(200)
Closing assets	21,389	234	5,525	471	27,619	22,573	40	2,895	323	25,831
Net closing balance	21,321	282	5,559	474	27,636	22,171	170	2,967	323	25,631

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

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

	31 March 2025				31 March 2024			
	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	(785)	108	583	(94)	563	325	(1,050)	(162)
Opening assets	15,124	1,612	9,093	25,829	15,621	1,373	8,380	25,374
Net opening balance	14,339	1,720	9,676	25,735	16,184	1,698	7,330	25,212
Changes in the statement of income:								
<i>Changes that relate to current services:</i>								
CSM recognized in statement of income for services transferred	-	-	(794)	(794)	-	-	(367)	(367)
Changes in risk adjustment for non-financial risks	-	(76)	-	(76)	-	(53)	-	(53)
Experience adjustments	849	55	-	904	(333)	-	-	(333)
	849	(21)	(794)	34	(333)	(53)	(367)	(753)
<i>Changes that relate to future services:</i>								
Changes in estimates that adjust the CSM	(19)	(56)	73	(2)	(203)	(43)	253	7
Contracts initially recognized during the year	(783)	6	777	-	(679)	90	589	-
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	(46)	97	4	55	12	(1)	2	13
Experience adjustments – arising from ceded premiums paid in the period that relate to future service	7	16	(31)	(8)	11	-	(6)	5
	(841)	63	823	45	(859)	46	838	25
<i>Changes that relate to past services:</i>								
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	(843)	(23)	-	(866)	206	(31)	-	175
Experience adjustments – arising from ceded premiums paid in the period that relate to past service	(42)	-	5	(37)	-	-	-	-
	(885)	(23)	5	(903)	206	(31)	-	175
Net expenses from reinsurance contracts held	(877)	19	34	(824)	(986)	(38)	471	(553)
Net finance income (expense) from reinsurance contracts	389	45	135	569	(61)	(20)	72	(9)
Foreign currencies adjustment to comprehensive income	6	1	1	8	(246)	(78)	338	14
Total changes in the statement of income & comprehensive income	(482)	65	170	(247)	(1,293)	(136)	881	(548)
<i>Cash flows:</i>								
Premiums paid net of ceding commissions and other directly attributable expenses paid	2,397	-	-	2,397	1,625	-	-	1,625
Incurred claims recovered and other insurance service expenses recovered	(249)	-	-	(249)	(658)	-	-	(658)
Total cash flows	2,148	-	-	2,148	967	-	-	967
Net closing balance	16,005	1,785	9,846	27,636	15,858	1,562	8,211	25,631
Closing liabilities	(606)	263	360	17	18	177	(395)	(200)
Closing assets	16,611	1,522	9,486	27,619	15,840	1,385	8,606	25,831
Net closing balance	16,005	1,785	9,846	27,636	15,858	1,562	8,211	25,631

6 TERM LOANS

The Parent Company has obtained two bank loans (unsecured) from local banks to be payable as follows:

- a) First loan is payable on annual installment basis beginning on 26 December 2023 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 31 March is KD 28,116 thousand (31 December 2024: KD 28,116 thousand and 31 March 2024 KD 33,077 thousand). The Parent Company has agreed with the bank to postpone the installment with the total amount of KD 4,961 thousand that was due on 26 December 2024, to be settled on 26 December 2027.
- b) Second loan is payable on quarterly installment basis for a period of five years beginning on 31 March 2024 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 2027. The balance of the term loan as at 31 March 2025 is KD 22,750 thousand (31 December 2024: KD 22,750 thousand and 31 March 2024: KD 24,500). The Parent Company has agreed with the bank to postpone three quarterly installments with the total amount of KD 5,250 thousand, to be settled on 30 June 2025.

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 2024: 350,000,000 shares and 31 March 2024: 350,000,000 shares) of 100 fils each. The issued and fully paid-up share capital consists of 284,572,463 shares (31 December 2024: 284,572,463 shares and 31 March 2024: 284,572,463 shares) of 100 fils each.

b) Treasury shares

	31 March 2025	<i>(Audited)</i> 31 December 2024	31 March 2024
Number of treasury shares	-	-	821,396
Percentage of issued shares	-	-	0.29%
Cost (KD 000's)	-	-	429
Market value (KD 000's)	-	-	1,642

c) Dividends

The Ordinary Annual General Assembly meeting of the Parent Company's shareholders held on 8 May 2025, approved the Board of Director's proposal for distributing cash dividends to the shareholders of 23 fils per share for the year ended 31 December 2024.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

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:

	<i>General risk insurance</i>						<i>Life and Medical</i>		<i>Investments</i>		<i>Total</i> <i>KD 000's</i>
	<i>Marine and aviation KD 000's</i>	<i>Motor vehicles KD 000's</i>	<i>Property KD 000's</i>	<i>Engineering KD 000's</i>	<i>General Insurance KD 000's</i>	<i>Liability KD 000's</i>	<i>Life KD 000's</i>	<i>Medical KD 000's</i>	<i>Investments KD 000's</i>	<i>Unallocated KD 000's</i>	
Three months ended 31 March 2025											
Insurance service result before reinsurance contracts held	6,326	3,999	23,672	4,980	5,553	4,702	2,389	2,698	-	-	54,319
Net (expense) income from reinsurance contracts held	(3,035)	225	(23,448)	(3,782)	(3,678)	(2,875)	(1,643)	(3,113)	-	-	(41,349)
Net insurance and reinsurance finance (expense) income	(355)	(1,565)	(103)	(245)	21	(271)	(1,307)	(473)	-	-	(4,298)
Net insurance financial result	2,936	2,659	121	953	1,896	1,556	(561)	(888)	-	-	8,672
Net investment income	-	-	-	-	-	-	-	-	1,688	-	1,688
Interest income	-	-	-	-	-	-	-	-	9,570	-	9,570
Share of results from associates	-	-	-	-	-	-	-	-	877	-	877
Non-attributable general and administrative expenses	-	-	-	-	-	-	-	-	-	(8,272)	(8,272)
Other income, net	-	-	-	-	-	-	-	-	-	1,029	1,029
Monetary loss from hyperinflation	-	-	-	-	-	-	-	-	-	(1,700)	(1,700)
Finance costs	-	-	-	-	-	-	-	-	-	(1,148)	(1,148)
Profit (loss) before taxation	2,936	2,659	121	953	1,896	1,556	(561)	(888)	12,135	(10,091)	10,716

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

8 SEGMENT INFORMATION (continued)

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

Three months ended 31 March 2024	<i>General risk insurance</i>						<i>Life and Medical</i>		<i>Investments</i>		<i>Total</i> <i>KD 000's</i>
	<i>Marine and aviation KD 000's</i>	<i>Motor vehicles KD 000's</i>	<i>Property KD 000's</i>	<i>Engineering KD 000's</i>	<i>General Insurance KD 000's</i>	<i>Liability KD 000's</i>	<i>Life KD 000's</i>	<i>Medical KD 000's</i>	<i>Investments KD 000's</i>	<i>Unallocated KD 000's</i>	
Insurance service result before reinsurance contracts held	3,895	2,574	10,601	8,323	3,705	2,279	2,237	3,471	-	-	37,085
Net (expense) income from reinsurance contracts held	(2,391)	345	(13,176)	(6,069)	(1,197)	(2,100)	(1,106)	(1,397)	-	-	(27,091)
Net insurance and reinsurance finance (expense) income	(393)	(1,840)	(221)	(169)	14	(59)	(548)	(550)	-	-	(3,766)
Net insurance financial result	1,111	1,079	(2,796)	2,085	2,522	120	583	1,524	-	-	6,228
Net investment income	-	-	-	-	-	-	-	-	8,334	-	8,334
Interest income	-	-	-	-	-	-	-	-	8,289	-	8,289
Share of results from associates	-	-	-	-	-	-	-	-	2,969	-	2,969
Non-attributable general and administrative expenses	-	-	-	-	-	-	-	-	-	(11,153)	(11,153)
Other expense, net	-	-	-	-	-	-	-	-	-	(712)	(712)
Monetary loss from hyperinflation	-	-	-	-	-	-	-	-	-	(351)	(351)
Finance costs	-	-	-	-	-	-	-	-	-	(1,715)	(1,715)
Profit (loss) before taxation	1,111	1,079	(2,796)	2,085	2,522	120	583	1,524	19,592	(13,931)	11,889

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

8 SEGMENT INFORMATION (continued)

b) Segmental interim condensed consolidated statement of financial position:

	<i>General risk insurance</i>						<i>Life and Medical</i>		<i>Investments</i>	<i>Unallocated</i>	<i>Total</i>
	<i>Marine and aviation KD 000's</i>	<i>Motor vehicles KD 000's</i>	<i>Property KD 000's</i>	<i>Engineering KD 000's</i>	<i>General Insurance KD 000's</i>	<i>Liability KD 000's</i>	<i>Life KD 000's</i>	<i>Medical KD 000's</i>	<i>Investments KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
31 March 2025											
Segment assets	12,668	7,934	95,670	40,201	9,009	41,846	10,324	29,878	213,181	778,618	1,239,329
Segment liabilities	26,164	149,576	137,664	53,405	39,819	97,331	46,718	108,485	-	193,034	852,196
	<i>General risk insurance</i>						<i>Life and Medical</i>		<i>Investments</i>	<i>Unallocated</i>	<i>Total</i>
	<i>Marine and aviation KD 000's</i>	<i>Motor vehicles KD 000's</i>	<i>Property KD 000's</i>	<i>Engineering KD 000's</i>	<i>General Insurance KD 000's</i>	<i>Liability KD 000's</i>	<i>Life KD 000's</i>	<i>Medical KD 000's</i>	<i>Investments KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
31 December 2024											
Segment assets	13,553	8,698	105,154	34,995	11,951	19,275	36,060	63,527	599,112	345,352	1,237,677
Segment liabilities	31,053	142,191	147,587	57,555	41,261	32,131	104,364	100,823	-	200,656	857,621
	<i>General risk insurance</i>						<i>Life and Medical</i>		<i>Investments</i>	<i>Unallocated</i>	<i>Total</i>
	<i>Marine and aviation KD 000's</i>	<i>Motor vehicles KD 000's</i>	<i>Property KD 000's</i>	<i>Engineering KD 000's</i>	<i>General Insurance KD 000's</i>	<i>Liability KD 000's</i>	<i>Life KD 000's</i>	<i>Medical KD 000's</i>	<i>Investments KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
31 March 2024											
Segment assets	13,286	6,939	45,140	52,307	8,071	15,415	34,230	63,168	547,287	412,150	1,197,993
Segment liabilities	27,695	145,619	98,349	57,415	38,228	25,637	104,605	150,013	-	180,448	828,009

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

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:

	<i>Three months ended 31 March 2025</i>		<i>Three months ended 31 March 2024</i>	
	<i>Revenue*</i>	<i>Expenses**</i>	<i>Revenue</i>	<i>Expenses**</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
Directors and key management personnel	-	-	54	11
Entities under common control	10	30	-	213
Associates	73	-	-	-
Other related parties	-	-	2,561	263
	83	30	2,615	487

* Revenue represents the insurance revenue as disclosed in the interim condensed consolidated statement of income for the period ended 31 March 2025.

** 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 31 March 2025.

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

	<i>31 March 2025</i>			<i>31 December 2024</i>			<i>31 March 2024</i>		
	<i>Amounts owed by related parties</i>	<i>Amounts owed to related Parties</i>	<i>Financial assets at FVTPL</i>	<i>Amounts owed by related parties</i>	<i>Amounts owed to related parties</i>	<i>Financial assets at FVTPL</i>	<i>Amounts owed by related parties</i>	<i>Amounts owed to related parties</i>	<i>Financial assets at FVTPL</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
Shareholders	-	-	1,943	1,260	-	1,710	-	-	-
Directors and key management personnel	26	-	-	26	-	-	217	7	-
Entities under common control	102	114	-	1,440	218	-	-	-	-
Associate	365	-	-	336	-	-	-	-	-
Other related parties	-	-	-	1,909	1,014	-	2,180	1,420	-
	493	114	1,943	4,971	1,232	1,710	2,397	1,427	-

	<i>31 March 2025</i>	<i>31 December 2024</i>	<i>31 March 2024</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
Bank overdraft	-	-	244
Letter of guarantee	-	-	47,884
	-	-	48,128

Compensation of key management personnel is as follows:

	<i>Three months ended 31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>KD 000's</i>	<i>KD 000's</i>
Salaries and other short-term benefits	244	222
Employees' end of service benefits	157	119
	401	341

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

10 CONTINGENT LIABILITIES

As at 31 March 2025, the Group was contingently liable in respect of letters of guarantees amounting to KD 128,709 (31 December 2024: KD 105,641 thousand and 31 March 2024: KD 96,587).

11 TAXATION

	<i>Three months ended 31 March</i>	
	2025	2024
	KD 000's	KD 000's
NLST	-	(308)
Zakat	-	(27)
Taxation from subsidiaries	(2,519)	(1,250)
	(2,519)	(1,585)

The State of Kuwait issued Law Number 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 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 shall be computed in accordance with the Executive regulations which will be issued within six months from the date of issue of the Law. The DMTT charge for the period is estimated based on the OECD guidance, pending issue of Executive regulations. 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. There is no DMTT for the period ended March 31, 2025, due to the absence of a tax base for calculation.

12 FAIR VALUE MEASUREMENT

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of, Cash and cash equivalents, time deposits, insurance and reinsurance contract assets, investments carried at fair value through profit or loss, investments carried at fair value through other comprehensive income, debt instruments at amortized cost and loans secured by life insurance policies and certain items from other assets. Financial liabilities consist of bank overdrafts, insurance and reinsurance contract liabilities and certain items from 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 2024.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

12 FAIR VALUE MEASUREMENT (continued)

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

31 March 2025

	<i>Fair value measurement using</i>			<i>Total KD 000's</i>
	<i>Level 1 KD 000's</i>	<i>Level 2 KD 000's</i>	<i>Level 3 KD 000's</i>	
<i>Investments at FVTPL</i>				
Quoted equity securities	45,027	-	-	45,027
Unquoted equity securities	-	-	10,688	10,688
Quoted managed funds	27,564	-	-	27,564
Unquoted managed funds	-	-	13,555	13,555
Quoted bonds	18,474	-	-	18,474
Unquoted bonds	-	-	5,389	5,389
	<u>91,065</u>	<u>-</u>	<u>29,632</u>	<u>120,697</u>
<i>Investments at FVOCI</i>				
Quoted equity securities	17,559	-	-	17,559
Unquoted equity securities	-	-	10,850	10,850
Unquoted managed funds	-	157	45	202
Quoted bonds	345,726	-	-	345,726
	<u>363,285</u>	<u>157</u>	<u>10,895</u>	<u>374,337</u>
<i>Property and equipment</i>				
Land	-	11,405	-	11,405
Buildings	-	19,643	-	19,643
<i>Investment properties</i>	-	6,668	-	6,668
Total	<u>454,350</u>	<u>37,873</u>	<u>40,527</u>	<u>532,750</u>

31 December 2024

	<i>Fair value measurement using</i>			<i>Total KD 000's</i>
	<i>Level 1 KD 000's</i>	<i>Level 2 KD 000's</i>	<i>Level 3 KD 000's</i>	
<i>Investments at FVTPL</i>				
Quoted equity securities	42,171	-	-	42,171
Unquoted equity securities	-	76	10,594	10,670
Managed funds of quoted Securities	39,267	-	-	39,267
Quoted managed funds	-	15	7,843	7,858
Unquoted managed funds	16,972	-	-	16,972
Quoted bonds	-	-	4,300	4,300
	<u>98,410</u>	<u>91</u>	<u>22,737</u>	<u>121,238</u>
<i>Investments at FVOCI</i>				
Quoted equity securities	19,673	-	-	19,673
Unquoted equity securities	-	-	10,513	10,513
Quoted bonds	343,724	-	-	343,724
Unquoted managed funds	-	142	45	187
	<u>363,397</u>	<u>142</u>	<u>10,558</u>	<u>374,097</u>
<i>Property and equipment</i>				
Land	-	11,380	-	11,380
Buildings	-	19,654	-	19,654
<i>Investment properties</i>	-	6,656	-	6,656
Total	<u>461,807</u>	<u>37,832</u>	<u>10,558</u>	<u>533,025</u>

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

12 FAIR VALUE MEASUREMENT (continued)

31 March 2024

	<i>Fair value measurement using</i>			<i>Total</i> <i>KD 000's</i>
	<i>Level 1</i> <i>KD 000's</i>	<i>Level 2</i> <i>KD 000's</i>	<i>Level 3</i> <i>KD 000's</i>	
<i>Investments at FVTPL</i>				
Quoted equity securities	26,643	-	-	26,643
Unquoted equity securities	-	-	9,115	9,115
Quoted managed funds	39,130	-	-	39,130
Unquoted managed funds	-	17	6,584	6,601
Quoted bonds	6,204	-	-	6,204
Unquoted bonds	-	-	4,816	4,816
	<u>71,977</u>	<u>17</u>	<u>20,515</u>	<u>92,509</u>
<i>Investments at FVOCI</i>				
Quoted equity securities	17,414	-	-	17,414
Unquoted equity securities	-	-	9,299	9,299
Quoted managed funds	132	-	-	132
Unquoted managed funds	-	-	30	30
Quoted bonds	320,856	-	-	320,856
	<u>338,402</u>	<u>-</u>	<u>9,329</u>	<u>347,731</u>
<i>Property and equipment</i>				
Land	-	11,614	-	11,614
Buildings	-	20,256	-	20,256
<i>Investment properties</i>	-	7,623	-	7,623
Total	<u>410,379</u>	<u>39,510</u>	<u>29,844</u>	<u>479,733</u>

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

	<i>As at</i> <i>1 January</i> <i>2025</i> <i>KD 000's</i>	<i>Change in fair</i> <i>value recorded in the</i> <i>interim consolidated</i> <i>statement of</i> <i>income</i> <i>KD 000's</i>	<i>Change in fair value</i> <i>recorded in the</i> <i>interim consolidated</i> <i>statement of</i> <i>comprehensive income</i>	<i>Net</i> <i>additions</i> <i>and</i> <i>disposals</i> <i>KD 000's</i>	<i>As at</i> <i>31 March</i> <i>2025</i> <i>KD 000's</i>
Three months ended 31 March 2025					
<i>Investments at FVTPL</i>					
Unquoted equity securities	10,594	11	-	83	10,688
Unquoted managed funds	7,843	182	-	5,530	13,555
Unquoted bonds	4,300	274	-	815	5,389
	<u>22,737</u>	<u>467</u>	<u>-</u>	<u>6,428</u>	<u>29,632</u>
<i>Investments at FVOCI</i>					
Unquoted equity securities	10,513	-	353	(16)	10,850
Unquoted managed funds	45	-	-	-	45
	<u>10,558</u>	<u>-</u>	<u>353</u>	<u>(16)</u>	<u>10,895</u>

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(UNAUDITED)

As at and for the period ended 31 March 2025 (continued)

12 FAIR VALUE MEASUREMENT (continued)

Year ended 31 December 2024	As at 1 January 2024 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	Net additions and disposals KD 000's	At 31 December 2024 KD 000's
<i>Investments at FVTPL</i>					
Unquoted equity securities	9,120	(37)	-	1,511	10,594
Unquoted managed funds	7,190	(104)	-	757	7,843
Unquoted bonds	4,300	-	-	-	4,300
	<u>20,610</u>	<u>(141)</u>	<u>-</u>	<u>2,268</u>	<u>22,737</u>
<i>Investments at FVOCI</i>					
Unquoted equity securities	8,556	-	2,248	(291)	10,513
Unquoted managed funds	30	-	15	-	45
	<u>8,586</u>	<u>-</u>	<u>2,263</u>	<u>(291)</u>	<u>10,558</u>
Three months ended 31 March 2024	As at 1 January 2024 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	Net additions and disposals KD 000's	As at 31 March 2024 KD 000's
<i>Investments at FVTPL</i>					
Unquoted equity securities	9,120	(5)	-	-	9,115
Unquoted managed funds	7,190	110	-	(716)	6,584
Unquoted bonds	4,300	516	-	-	4,816
	<u>20,610</u>	<u>621</u>	<u>-</u>	<u>(716)</u>	<u>20,515</u>
<i>Investments at FVOCI</i>					
Unquoted equity securities	8,556	-	743	-	9,299
Unquoted managed funds	30	-	-	-	30
	<u>8,586</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,329</u>