

**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 2026

Gulf Insurance Group K.S.C.P. and its Subsidiaries
Interim condensed consolidated financial information (unaudited)
for the three-month period ended 31 March 2026
(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 2026, and the related interim condensed consolidated statement 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 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 three-month period ended 31 March 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.



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

14 May 2026
Kuwait

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the period ended 31 March 2026

	Notes	Three months ended	
		31 March	
		2026	2025
		KD 000's	KD 000's
Revenue:			
Insurance revenue	5	192,463	177,840
Insurance service expenses	5	(144,524)	(123,521)
Insurance service result before reinsurance contracts held		47,939	54,319
Net expense from reinsurance contracts held	5	(32,807)	(41,349)
Insurance service result		15,132	12,970
Finance expense from insurance contracts issued	5	(5,348)	(8,290)
Finance income from reinsurance contracts held	5	1,723	3,992
Net insurance financial result		11,507	8,672
Investment income	3	7,129	2,170
Investment expense		(453)	(482)
Interest income		10,747	9,570
Share of results from investment in associates		732	877
Non-attributable general and administrative expenses		(9,109)	(8,272)
Other income net		576	1,029
Monetary loss from hyperinflation		(1,638)	(1,700)
Finance costs		(909)	(1,148)
PROFIT FOR THE PERIOD BEFORE CONTRIBUTION TO KFAS AND TAXATION		18,582	10,716
Contribution to KFAS		(14)	(85)
PROFIT FOR THE PERIOD BEFORE TAXATION		18,568	10,631
Taxation	11	(2,791)	(2,519)
PROFIT FOR THE PERIOD		15,777	8,112
Attributable to:			
Equity holders of the Parent Company		13,002	6,580
Non-controlling interests		2,775	1,532
		15,777	8,112
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	4	42.99 fils	20.42 fils

The attached notes 1 to 13 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 2026

	<i>Three months ended</i>	
	<i>31 March</i>	
	2026	2025
	KD 000's	KD 000's
Profit for the period	15,777	8,112
Other comprehensive (loss) income:		
<i>Items that are or may be subsequently reclassified to interim condensed consolidated statement of income:</i>		
- Exchange differences on translation of foreign operations	(1,787)	(1,332)
- Change in fair value of financial assets at FVOCI (debt instruments)	(6,572)	3,034
- Share of other comprehensive income of investment in associates	(200)	7
- Finance income (expense) from insurance contracts issued	680	(278)
- Finance (expense) income from reinsurance contracts held	(354)	149
- Hyperinflation impact	632	1,061
	(7,601)	2,641
<i>Items that will not subsequently reclassified to interim condensed consolidated statement of income:</i>		
- Change in fair value of investments at FVOCI	(380)	(834)
- Share of other comprehensive income of investment in associates	34	1
- Revaluation of property and equipment	4	-
	(342)	(833)
Other comprehensive (loss) income for the period	(7,943)	1,808
Total comprehensive income for the period	7,834	9,920
Attributable to:		
Equity holders of the Parent Company	6,362	6,968
Non-controlling interests	1,472	2,952
	7,834	9,920

The attached notes 1 to 13 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 2026

	Notes	31 March 2026 KD 000's	31 December 2025 KD 000's	31 March 2025 KD 000's
ASSETS				
Cash and cash equivalents		176,271	152,311	193,193
Time deposits		41,721	41,546	44,028
Insurance contract assets	5	42,976	50,187	16,005
Reinsurance contract assets	5	257,961	260,495	231,525
Investments at fair value through profit or loss		186,139	177,376	120,697
Investments at fair value through other comprehensive income		385,444	392,158	374,337
Other assets		35,834	28,524	37,109
Debt instruments at amortised cost		77,286	79,887	73,819
Deferred tax assets from foreign subsidiaries		2,924	3,043	2,722
Right of use assets		4,923	5,235	6,532
Investments in associates		16,574	18,096	22,913
Investment properties		7,263	7,359	6,668
Property and equipment		38,910	39,668	36,045
Intangible assets		35,984	37,536	40,201
Goodwill		33,489	33,337	33,402
Loans secured by life insurance policies		50	76	133
TOTAL ASSETS		1,343,749	1,326,834	1,239,329
LIABILITIES AND EQUITY				
LIABILITIES				
Bank overdraft		11,197	1,812	-
Insurance contract liabilities	5	708,495	701,304	633,522
Reinsurance contract liabilities	5	28,694	35,375	25,640
Borrowings	6	70,878	66,620	50,866
Income tax payable		18,727	16,898	14,732
Deferred tax payable from foreign subsidiaries		4,615	4,517	2,501
Other liabilities		66,629	67,605	101,534
Provision for end of service benefits		16,269	19,856	17,534
Lease liabilities		5,116	5,283	5,867
Total liabilities		930,620	919,270	852,196
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)	(2,705)
Other reserves		(1,496)	(1,499)	(1,502)
Insurance and reinsurance finance reserve		678	353	885
Cumulative changes in fair value reserve		5,291	10,834	5,157
Foreign currency translation adjustments		(53,735)	(52,307)	(50,652)
Revaluation reserve		17,929	17,926	14,607
Retained earnings		151,884	139,651	130,133
Equity attributable to the equity holders of the Parent Company		269,822	264,229	248,723
Subordinated perpetual Tier 2 bonds		60,000	60,000	60,000
Non-controlling interests		83,307	83,335	78,410
Total equity		413,129	407,564	387,133
TOTAL LIABILITIES AND EQUITY		1,343,749	1,326,834	1,239,329


 Bijan Khosrowshahi
 Chairman

The attached notes 1 to 13 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 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 31 December 2025	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	-	-	-	-	-	-	-	-	-	-	-	13,002	13,002	-	2,775	15,777
Other comprehensive income (loss) for the period	-	-	-	-	-	-	3	325	(5,543)	(1,428)	3	-	(6,640)	-	(1,303)	(7,943)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	3	325	(5,543)	(1,428)	3	13,002	6,362	-	1,472	7,834
Interest on subordinated perpetual tier 2 bonds	-	-	-	-	-	-	-	-	-	-	-	(738)	(738)	-	-	(738)
Amortization of subordinated Tier 2 Bonds transactions costs	-	-	-	-	-	-	-	-	-	-	-	(31)	(31)	-	-	(31)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,500)	(1,500)
As at 31 March 2026	28,457	50,947	4,268	28,457	40,671	(3,529)	(1,496)	678	5,291	(53,735)	17,929	151,884	269,822	60,000	83,307	413,129

The attached notes 1 to 13 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 2026

	<i>Attributable to equity holders of the Parent Company</i>															
	<i>Share capital</i>	<i>Share premium</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>
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 13 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 2026

	<i>Three months ended 31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>KD 000's</i>	<i>KD 000's</i>
OPERATING ACTIVITIES		
Profit for the period before contribution to KFAS and taxation	18,582	10,716
<i>Adjustments for:</i>		
Investment income	(7,129)	(2,170)
Investment expense	453	482
Interest income	(10,747)	(9,570)
Share of results of investment in associates	(732)	(877)
Depreciation of property and equipment and right of use assets	1,076	536
Amortisation of intangible assets	2,067	2,311
Impairment of intangible assets	43	87
Gain on sale of property and equipment	(30)	(14)
Finance costs	909	1,148
Monetary loss from hyperinflation	1,638	1,700
Provision charged for end of service benefits	1,104	497
	<u>7,234</u>	<u>4,846</u>
<i>Changes in operating assets and liabilities:</i>		
Insurance contract assets	7,891	12,738
Reinsurance contract assets	2,180	32,819
Other assets	(7,341)	(9,061)
Insurance contract liabilities	7,191	(981)
Reinsurance contract liabilities	(6,681)	3,179
Other liabilities	(1,230)	(11,728)
	<u>9,244</u>	<u>31,812</u>
Provision for end of service benefits paid	(4,721)	(272)
Income taxes paid	(1,057)	(251)
Net cash flows generated from operating activities	<u>3,466</u>	<u>31,289</u>
INVESTING ACTIVITIES		
Movement in time deposits	(375)	(6,735)
Net purchases of investments at fair value through profit or loss	(4,491)	35
Net purchases of investments at fair value through other comprehensive income	(240)	2,134
Net movement of debt instruments at amortized cost	2,956	(654)
Net movement in loans secured by life insurance policies	26	4
Purchase of property and equipment	(719)	(605)
Proceeds from sale of property and equipment	36	22
Rental income received	102	113
Additions of intangible assets	(345)	(625)
Interest income received	10,747	9,570
Dividend income received	2,157	1,446
Dividend received from investment in associates	2,091	2,098
Acquisition of non-controlling interest	-	(622)
Net cash flows generated from investing activities	<u>11,945</u>	<u>6,181</u>
FINANCING ACTIVITIES		
Payment of lease liabilities	(371)	(481)
Borrowings paid	(2,500)	-
Borrowings received	6,750	-
Finance costs paid	(841)	(1,070)
Dividends paid to non-controlling interests	(1,500)	(1,450)
Net cash flows generated from (used in) financing activities	<u>1,538</u>	<u>(3,001)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>16,949</u>	<u>34,469</u>
Net foreign exchange difference	(2,374)	(2,123)
Cash and cash equivalents at 1 January	150,499	160,847
CASH AND CASH EQUIVALENTS AT 31 MARCH	<u>165,074</u>	<u>193,193</u>

The attached notes 1 to 13 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 2026

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 14 May 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 31 March 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 three months period ended 31 March 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).

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 2026 (continued)

3 NET INVESTMENT INCOME

	<i>Three months ended 31 March</i>	
	2026	2025
	KD 000's	KD 000's
Net gain (loss) on investments at fair value through profit or loss	4,758	(153)
Dividend income	2,156	1,446
Foreign exchange gain	121	786
Rental income from investment properties	94	91
	7,129	2,170

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 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>	
	2026	2025
	KD 000's	KD 000's
Profit attributable to equity holders of the Parent Company	13,002	6,580
Less: Interest and amortization on subordinated perpetual tier 2 bonds (KD 000's)	(769)	(770)
	12,233	5,810
	Shares	Shares
Weighted average number of shares, less treasury shares outstanding during the period	284,572,463	284,572,458
Basic and diluted earnings per share	42.99 fils	20.42 fils

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 2026 (continued)

5 INSURANCE CONTRACT ASSETS/LIABILITIES

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

	31 March 2026					31 March 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	(187,702)	-	-	-	(187,702)	(173,968)	-	-	-	(173,968)
<i>Insurance service expenses:</i>										
Incurring claims	-	(4,708)	107,140	5,968	108,400	-	(2,398)	113,788	6,349	117,739
Other directly attributable expenses	-	-	12,538	-	12,538	-	-	12,444	-	12,444
Changes that relate to past service-Changes in FCF relating to LIC	-	-	(4,216)	(6,499)	(10,715)	-	-	(24,448)	(9,496)	(33,944)
Loss (reversals) on onerous contracts	-	6,006	-	-	6,006	-	2,766	-	-	2,766
Insurance acquisition cash flows amortization	26,637	-	-	-	26,637	22,098	-	-	-	22,098
Insurance service expenses	26,637	1,298	115,462	(531)	142,866	22,098	368	101,784	(3,147)	121,103
Insurance service result	(161,065)	1,298	115,462	(531)	(44,836)	(151,870)	368	101,784	(3,147)	(52,865)
Net finance expense from insurance contracts	1,307	-	2,254	15	3,576	-	-	5,913	856	6,769
Foreign currencies adjustment to comprehensive income	(1,140)	64	(122)	97	(1,101)	(796)	6	(848)	2	(1,636)
Total changes in the statement of income and OCI	(160,898)	1,362	117,594	(419)	(42,361)	(152,666)	374	106,849	(2,289)	(47,732)
Hyperinflations impact	340	-	(258)	-	82	316	-	91	-	407
<i>Cash flows</i>										
Premiums received	193,172	-	-	-	193,172	186,050	-	-	-	186,050
Claims and other directly attributable expenses paid	-	-	(108,789)	-	(108,789)	-	-	(110,132)	3	(110,129)
Insurance acquisition cash flows	(26,572)	-	-	-	(26,572)	(26,628)	-	-	-	(26,628)
Total cash flows	166,600	-	(108,789)	-	57,811	159,422	-	(110,132)	3	49,293
Net closing balance	101,691	11,205	412,935	38,058	563,889	36,777	8,890	447,218	34,181	527,066
Closing liabilities	120,153	11,118	437,940	37,935	607,146	62,748	8,802	438,316	33,467	543,333
Closing assets	(18,462)	87	(25,005)	123	(43,257)	(25,971)	88	8,902	714	(16,267)
Net closing balance	101,691	11,205	412,935	38,058	563,889	36,777	8,890	447,218	34,181	527,066

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 2026 (continued)

5 INSURANCE CONTRACT ASSETS/LIABILITIES (continued)

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

	31 March 2026					Liabilities for remaining coverage (LRC)		31 March 2025		
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)			Excluding loss component KD 000'	Loss component KD 000'	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'			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	(4,761)	-	-	-	(4,761)	(3,872)	-	-	-	(3,872)
<i>Insurance service expenses:</i>										
Incurring claims	-	(74)	980	99	1,005	-	(57)	1,409	107	1,459
Other directly attributable expenses	-	-	491	-	491	-	-	331	-	331
Changes that relate to past service-Changes in FCF relating to LIC	-	-	56	(109)	(53)	-	-	824	(49)	775
Loss (reversals) on onerous contracts	-	192	-	-	192	-	(29)	-	-	(29)
Insurance acquisition cash flows amortization	23	-	-	-	23	(118)	-	-	-	(118)
Insurance service expenses	23	118	1,527	(10)	1,658	(118)	(86)	2,564	58	2,418
Insurance service result	(4,738)	118	1,527	(10)	(3,103)	(3,990)	(86)	2,564	58	(1,454)
Net finance expense from insurance contracts	1,009	30	48	5	1,092	1,733	14	40	12	1,799
Foreign currencies adjustment to comprehensive income	(1,433)	(43)	52	6	(1,418)	5,997	1	1	-	5,999
Total changes in the statement of income and OCI	(5,162)	105	1,627	1	(3,429)	3,740	(71)	2,605	70	6,344
Investment components	(860)	-	860	-	-	(748)	-	748	-	-
<i>Cash flows</i>										
Premiums received	5,656	-	-	-	5,656	6,084	-	-	-	6,084
Claims and other directly attributable expenses paid	-	-	(2,519)	-	(2,519)	-	-	(1,893)	-	(1,893)
Insurance acquisition cash flows	(838)	-	-	-	(838)	(468)	-	-	-	(468)
Total cash flows	4,818	-	(2,519)	-	2,299	5,616	-	(1,893)	-	3,723
Net closing balance	90,933	2,034	7,713	950	101,630	80,910	1,214	7,502	825	90,451
Closing liabilities	90,933	1,753	7,713	950	101,349	81,011	851	7,502	825	90,189
Closing assets	-	281	-	-	281	(101)	363	-	-	262
Net closing balance	90,933	2,034	7,713	950	101,630	80,910	1,214	7,502	825	90,451

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 2026 (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 2026				31 March 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
<i>Changes that relate to current services:</i>								
CSM recognized in statement of income for services provided	-	-	(2,287)	(2,287)	-	-	(1,707)	(1,707)
Changes in risk adjustment for risks expired	-	(248)	-	(248)	-	(238)	-	(238)
Experience Adjustments-Premium and Associated Cashflows	(459)	-	-	(459)	(1,608)	-	-	(1,608)
Experience adjustments-relating to insurance service expenses	(150)	-	-	(150)	1,198	107	-	1,305
	(609)	(248)	(2,287)	(3,144)	(410)	(131)	(1,707)	(2,248)
<i>Changes that relate to future services:</i>								
Changes in estimates that adjust the CSM	5,130	579	(5,721)	(12)	1,297	1,028	(2,328)	(3)
Changes in estimate that results in onerous contract losses or (reversal) of such losses	170	19	-	189	986	(1,016)	-	(30)
Contracts initially recognized during the year	(2,371)	198	2,233	60	(2,211)	180	2,044	13
Experience adjustments-arising from premiums received in the period that relate to future service	(9)	-	18	9	(2,467)	-	2,467	-
	2,920	796	(3,470)	246	(2,395)	192	2,183	(20)
<i>Changes that relate to past services:</i>								
Changes that relate to past service- changes in the FCF relating to the LIC	(752)	17	-	(735)	863	(49)	-	814
Experience adjustment-arising from premium received in the period that related to past service	655	(125)	-	530	-	-	-	-
	(97)	(108)	-	(205)	863	(49)	-	814
Insurance service result	2,214	440	(5,757)	(3,103)	(1,942)	12	476	(1,454)
Net finance expense from insurance contracts	244	13	835	1,092	426	191	1,182	1,799
Foreign currencies adjustment to comprehensive income	(104)	(289)	(1,025)	(1,418)	5,961	3	35	5,999
Total changes in the statement of income and OCI	2,354	164	(5,947)	(3,429)	4,445	206	1,693	6,344
<i>Cash flows:</i>								
Premiums received	5,656	-	-	5,656	6,084	-	-	6,084
Claims and other directly attributable expenses paid	(2,519)	-	-	(2,519)	(1,893)	-	-	(1,893)
Insurance acquisition cash flows	(838)	-	-	(838)	(468)	-	-	(468)
Total cash flows	2,299	-	-	2,299	3,723	-	-	3,723
Net closing balance	63,924	6,025	31,681	101,630	58,293	3,899	28,259	90,451
Closing liabilities	64,156	5,932	31,261	101,349	58,085	3,896	28,208	90,189
Closing assets	(232)	93	420	281	208	3	51	262
Net closing balance	63,924	6,025	31,681	101,630	58,293	3,899	28,259	90,451

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 2026 (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 2026 Assets for amounts recoverable on incurred claims (AIC)			Assets for remaining coverage (ARC)		31 March 2025 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	(54,075)	-	-	-	(54,075)	(59,760)	-	-	-	(59,760)
<i>Amounts recoverable from reinsurers:</i>										
Incurring claims recovery	-	955	24,600	1,796	27,351	-	-	34,331	2,649	36,980
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	-	-	(2,006)	(2,683)	(4,689)	-	-	(13,433)	(4,823)	(18,256)
Income on initial recognition of onerous underlying contracts	-	701	-	-	701	-	-	-	-	-
Reversal of a loss recovery component other than changes in FCF for RI contracts held	-	(528)	-	-	(528)	-	-	-	-	-
Change in provision for risk of non-performance	-	-	102	-	102	-	-	511	-	511
Net expense from reinsurance contracts held	(54,075)	1,128	22,696	(887)	(31,138)	(59,760)	-	21,409	(2,174)	(40,525)
Net finance income from reinsurance contracts	-	-	1,334	2	1,336	-	-	3,236	336	3,572
Foreign currencies adjustment to comprehensive income	428	12	(730)	28	(262)	(143)	-	(732)	(8)	(883)
Total amounts recognised in statement of income and OCI	(53,647)	1,140	23,300	(857)	(30,064)	(59,903)	-	23,913	(1,846)	(37,836)
Hyperinflation impact	69	-	6	-	75	92	-	(1,118)	-	(1,026)
Cash flows:										
Premiums paid	60,130	-	-	-	60,130	51,937	-	-	-	51,937
Claims and other recoveries	-	-	(25,359)	-	(25,359)	-	-	(50,825)	-	(50,825)
Total cash flows	60,130	-	(25,359)	-	34,771	51,937	-	(50,825)	-	1,112
Net closing balance	(68,289)	2,311	247,504	18,626	200,152	(63,600)	-	226,154	15,695	178,249
Closing liabilities	(42,395)	162	12,489	717	(29,027)	(45,838)	-	18,984	1,197	(25,657)
Closing assets	(25,894)	2,149	235,015	17,909	229,179	(17,762)	-	207,170	14,498	203,906
Net closing balance	(68,289)	2,311	247,504	18,626	200,152	(63,600)	-	226,154	15,695	178,249

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 2026 (continued)

5. INSURANCE AND REINSURANCE CONTRACTS (continued)

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

	31 March 2026					31 March 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:										
<i>Allocation of reinsurance premiums:</i>										
Reinsurance expenses	(2,158)	-	-	-	(2,158)	(1,774)	-	-	-	(1,774)
<i>Amounts recoverable from reinsurers:</i>										
Incurring claims recovery	-	(18)	449	50	481	-	-	1,733	55	1,788
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	-	-	-	(56)	(56)	-	-	(861)	(23)	(884)
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	-	64	-	-	64	-	-	-	-	-
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-	-	-	-	-	71	(24)	-	-	47
Net (expense) income from reinsurance contracts held	(2,158)	46	449	(6)	(1,669)	(1,703)	(25)	872	32	(824)
Net finance income (expense) from reinsurance contracts	(3)	6	27	3	33	531	3	29	6	569
Foreign currencies adjustment to comprehensive income	61	4	34	4	103	6	-	2	-	8
Total amounts recognised in statement of income and OCI	(2,100)	56	510	1	(1,533)	(1,166)	(22)	903	38	(247)
Cash flows:										
Premiums paid net of ceding commissions and other directly attributable expenses	1,516	-	-	-	1,516	2,397	-	-	-	2,397
Recoveries from reinsurance	-	-	(618)	-	(618)	-	-	(249)	-	(249)
Total cash flows	1,516	-	(618)	-	898	2,397	-	(249)	-	2,148
Net closing balance	22,899	570	5,109	537	29,115	21,321	282	5,559	474	27,636
Closing liabilities	333	-	-	-	333	(68)	48	34	3	17
Closing assets	22,566	570	5,109	537	28,782	21,389	234	5,525	471	27,619
Net closing balance	22,899	570	5,109	537	29,115	21,321	282	5,559	474	27,636

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 2026 (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 2026				31 March 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:								
<i>Changes that relate to current services:</i>								
CSM recognized in statement of income for services transferred	-	-	(830)	(830)	-	-	(794)	(794)
Changes in risk adjustment for non-financial risks	-	(78)	-	(78)	-	(76)	-	(76)
Experience adjustments	(591)	-	-	(591)	849	55	-	904
	(591)	(78)	(830)	(1,499)	849	(21)	(794)	34
<i>Changes that relate to future services:</i>								
Changes in estimates that adjust the CSM	197	28	(205)	20	(19)	(56)	73	(2)
Contracts initially recognized during the year	(925)	82	843	-	(783)	6	777	-
CSM adjustment for income on initial recognition of onerous underlying contracts	-	-	57	57	-	-	-	-
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	61	6	(255)	(188)	(46)	97	4	55
Experience adjustments – arising from ceded premiums paid in the period that relate to future service	(3)	-	10	7	7	16	(31)	(8)
	(670)	116	450	(104)	(841)	63	823	45
<i>Changes that relate to past services:</i>								
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	400	15	-	415	(843)	(23)	-	(866)
Experience adjustments – arising from ceded premiums paid in the period that relate to past service	(410)	(71)	-	(481)	(42)	-	5	(37)
	(10)	(56)	-	(66)	(885)	(23)	5	(903)
Net expenses from reinsurance contracts held	(1,271)	(18)	(380)	(1,669)	(877)	19	34	(824)
Net finance (expense) income from reinsurance contracts	(191)	13	211	33	389	45	135	569
Foreign currencies adjustment to comprehensive income	158	(8)	(47)	103	6	1	1	8
Total changes in the statement of income & comprehensive income	(1,304)	(13)	(216)	(1,533)	(482)	65	170	(247)
<i>Cash flows:</i>								
Premiums paid net of ceding commissions and other directly attributable expenses paid	1,516	-	-	1,516	2,397	-	-	2,397
Incurred claims recovered and other insurance service expenses recovered	(618)	-	-	(618)	(249)	-	-	(249)
Total cash flows	898	-	-	898	2,148	-	-	2,148
Net closing balance	15,173	1,894	12,048	29,115	16,005	1,785	9,846	27,636
Closing liabilities	456	15	(138)	333	(606)	263	360	17
Closing assets	14,717	1,879	12,186	28,782	16,611	1,522	9,486	27,619
Net closing balance	15,173	1,894	12,048	29,115	16,005	1,785	9,846	27,636

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 2026 (continued)

6 BORROWINGS

	<u>31 March</u> <u>2026</u>	<u>31 December</u> <u>2025</u>	<u>31 March</u> <u>2025</u>
	<u>KD 000's</u>	<u>KD 000's</u>	<u>KD 000's</u>
Relating to the parent company	69,791	65,542	50,866
Relating to subsidiaries	1,087	1,078	-
	<u>70,878</u>	<u>66,620</u>	<u>50,866</u>

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 31 March 2026 is KD 23,154 thousand (31 December 2025: KD 23,154 thousand and 31 March 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 31 March 2026 is KD 13,387 thousand (31 December 2025: KD 13,387 thousand and 31 March 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 31 March 2026 is KD 17,500 thousand (31 December 2025: KD 20,000 thousand and 31 March 2025 KD Nil).
- d) Revolving loans with balance of KD 15,750 thousand as at 31 March 2026 (31 December 2025: KD 9,000 thousand and 31 March 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 31 March 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 31 March 2025: 284,572,458 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.

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 2026 (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:

Three months ended 31 March 2026	<i>General risk insurance</i>						<i>Life and Medical</i>		<i>Investments</i>		<i>Total 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	4,252	5,143	15,365	3,971	6,656	4,202	4,265	4,085	-	
Net (expense) income from reinsurance contracts held	(1,879)	(967)	(16,006)	(3,499)	(3,826)	(2,486)	(2,229)	(1,915)	-	-	(32,807)
Net insurance and reinsurance finance (expense) income	(44)	(449)	(5)	7	(1,260)	(115)	(1,429)	(330)	-	-	(3,625)
Net insurance financial result	2,329	3,727	(646)	479	1,570	1,601	607	1,840	-	-	11,507
Investment income	-	-	-	-	-	-	-	-	7,129	-	7,129
Investment expense	-	-	-	-	-	-	-	-	(453)	-	(453)
Interest income	-	-	-	-	-	-	-	-	10,747	-	10,747
Share of results from associates	-	-	-	-	-	-	-	-	732	-	732
Non-attributable general and administrative expenses	-	-	-	-	-	-	-	-	-	(9,109)	(9,109)
Other income, net	-	-	-	-	-	-	-	-	-	576	576
Monetary loss from hyperinflation	-	-	-	-	-	-	-	-	-	(1,638)	(1,638)
Finance costs	-	-	-	-	-	-	-	-	-	(909)	(909)
Profit (loss) before taxation	2,329	3,727	(646)	479	1,570	1,601	607	1,840	18,155	(11,080)	18,582

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 2026 (continued)

8 SEGMENT INFORMATION (continued)

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

Three months ended 31 March 2025	<i>General risk insurance</i>						<i>Life and Medical</i>		<i>Investments</i>		<i>Total 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	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
Investment income	-	-	-	-	-	-	-	-	2,170	-	2,170
Investment expense	-	-	-	-	-	-	-	-	(482)	-	(482)
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 2026 (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>Total 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>	
31 March 2026											
Segment assets	13,828	7,230	143,764	31,314	7,232	12,923	40,762	43,889	714,427	328,380	1,343,749
Segment liabilities	27,195	167,880	195,148	48,793	45,161	30,832	123,601	98,579	-	193,431	930,620
31 December 2025											
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
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

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 2026 (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</i>		<i>Three months ended</i>	
	<i>31 March 2026</i>		<i>31 March 2025</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>
Entities under common control	1	9	10	30
Associates	18	32	73	-
	19	41	83	30

* Revenue represents the insurance revenue as disclosed in the interim condensed consolidated statement of income for the period ended 31 March 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 31 March 2026.

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

	<i>31 March 2026</i>			<i>31 December 2025</i>			<i>31 March 2025</i>		
	<i>Amounts</i>	<i>Amounts</i>	<i>Financial</i>	<i>Amounts</i>	<i>Amounts</i>	<i>Financial</i>	<i>Amounts</i>	<i>Amounts</i>	<i>Financial</i>
	<i>owed by</i>	<i>owed to</i>	<i>assets at</i>	<i>owed by</i>	<i>owed to</i>	<i>assets at</i>	<i>owed by</i>	<i>owed to</i>	<i>assets at</i>
	<i>related</i>	<i>related</i>	<i>FVTPL</i>	<i>related</i>	<i>related</i>	<i>FVTPL</i>	<i>related</i>	<i>related</i>	<i>FVTPL</i>
	<i>parties</i>	<i>Parties</i>	<i>assets at</i>	<i>parties</i>	<i>parties</i>	<i>assets at</i>	<i>parties</i>	<i>parties</i>	<i>assets at</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	-	(155)	3,211	-	(154)	3,361	-	-	1,943
Directors and key management personnel	-	-	-	33	-	-	26	-	-
Entities under common control	-	(211)	-	-	(92)	-	102	114	-
Associate	204	-	-	348	-	-	365	-	-
	204	(366)	3,211	381	(246)	3,361	493	114	1,943

Compensation of key management personnel is as follows:

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>KD 000's</i>	<i>KD 000's</i>
Salaries and other short-term benefits	158	244
Employees' end of service benefits	408	157
	566	401

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 2026 (continued)

10 CONTINGENT LIABILITIES

As at 31 March 2026, the Group was contingently liable in respect of letters of guarantees amounting to KD 40,555 (31 December 2025: KD 40,907 thousand and 31 March 2025: KD 128,709).

11 TAXATION

	<i>Three months ended 31 March</i>	
	<i>2026</i>	<i>2025</i>
	<i>KD 000's</i>	<i>KD 000's</i>
Taxation from subsidiaries	(2,426)	(2,519)
Domestic Minimum Top-up Tax - outside Kuwait	(365)	-
	<u>(2,791)</u>	<u>(2,519)</u>

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.

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 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, 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

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 2026 (continued)

12 FAIR VALUE MEASUREMENT (continued)

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.

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

31 March 2026

	<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	93,011	-	-	93,011
Unquoted equity securities	-	-	9,782	9,782
Quoted managed funds	22,826	-	-	22,826
Unquoted managed funds	-	-	15,955	15,955
Quoted bonds	35,709	-	-	35,709
Unquoted bonds	-	-	8,856	8,856
	<u>151,546</u>	<u>-</u>	<u>34,593</u>	<u>186,139</u>
<i>Investments at FVOCI</i>				
Quoted equity securities	16,749	-	-	16,749
Unquoted equity securities	-	-	11,943	11,943
Unquoted managed funds	-	182	-	182
Quoted bonds	353,108	-	-	353,108
Unquoted bonds	-	-	3,462	3,462
	<u>369,857</u>	<u>182</u>	<u>15,405</u>	<u>385,444</u>
<i>Property and equipment</i>				
Land	-	11,477	-	11,477
Buildings	-	21,943	-	21,943
<i>Investment properties</i>				
	-	7,263	-	7,263
Total	<u>521,403</u>	<u>40,865</u>	<u>49,998</u>	<u>612,266</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 2026 (continued)

12 FAIR VALUE MEASUREMENT (continued)

31 December 2025

	Fair value measurement using			Total KD 000's
	Level 1 KD 000's	Level 2 KD 000's	Level 3 KD 000's	
<i>Investments at FVTPL</i>				
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
	<u>142,685</u>	<u>-</u>	<u>34,691</u>	<u>177,376</u>
<i>Investments at FVOCI</i>				
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
	<u>376,787</u>	<u>200</u>	<u>15,171</u>	<u>392,158</u>
<i>Property and equipment</i>				
Land	-	11,699	-	11,699
Buildings	-	22,607	-	22,607
<i>Investment properties</i>				
	-	7,359	-	7,359
Total	<u>519,472</u>	<u>41,865</u>	<u>49,862</u>	<u>611,199</u>

31 March 2025

	Fair value measurement using			Total KD 000's
	Level 1 KD 000's	Level 2 KD 000's	Level 3 KD 000's	
<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>

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 2026 (continued)

12 FAIR VALUE MEASUREMENT (continued)

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 1 January 2026 KD 000's</i>	<i>Change in fair value recorded in the interim consolidated statement of income KD 000's</i>	<i>Change in fair value recorded in the interim consolidated statement of comprehensive income</i>	<i>Net additions and disposals KD 000's</i>	<i>As at 31 March 2026 KD 000's</i>
<i>Three months ended 31 March 2026</i>					
<i>Investments at FVTPL</i>					
Unquoted equity securities	9,779	3	-	-	9,782
Unquoted managed funds	16,003	(85)	-	37	15,955
Unquoted bonds	8,909	(213)	-	160	8,856
	<u>34,691</u>	<u>(295)</u>	<u>-</u>	<u>197</u>	<u>34,593</u>
<i>Investments at FVOCI</i>					
Unquoted equity securities	11,713	-	230	-	11,943
Unquoted bonds	3,458	-	4	-	3,462
	<u>15,171</u>	<u>-</u>	<u>234</u>	<u>-</u>	<u>15,405</u>
<i>Year ended 31 December 2025</i>					
<i>Investments at FVTPL</i>					
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
	<u>22,737</u>	<u>2,386</u>	<u>-</u>	<u>9,568</u>	<u>34,691</u>
<i>Investments at FVOCI</i>					
Unquoted equity securities	10,513	-	1,030	170	11,713
Unquoted managed funds	45	-	-	(45)	-
Unquoted bonds	-	-	(23)	3,481	3,458
	<u>10,558</u>	<u>-</u>	<u>1,007</u>	<u>3,606</u>	<u>15,171</u>
<i>Three months ended 31 March 2025</i>					
<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>

As at and for the period ended 31 March 2026 (continued)

13 IMPACTS OF GEOPOLITICAL CONFLICT IN MIDDLE EAST

During the quarter ended 31 March 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.

As at 31 March 2026, the Group has received a limited number of claim notifications related to the conflict. Based on all available information as of the reporting date, these claims have either been declined or remain under standard loss adjustment procedures to assess the applicability of policy terms and exclusions.

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.