AL-AHLEIA INSURANCE COMPANY S.A.K.P.
AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION AND INDEPENDENT AUDITOR'S REVIEW REPORT (UNAUDITED)

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AL-AHLEIA INSURANCE COMPANY S.A.K.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al-Ahleia Insurance Company S.A.K.P. (the "Parent Company") and its subsidiaries (collectively "the Group") as at 30 June 2026, and the related interim condensed consolidated statements of profit or loss and comprehensive income for the three-month and six-month periods then ended, and the interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended. Management of the Parent Company 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 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 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, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the six-month period ended 30 June 2026 that might have had a material effect on the business of the Parent Company or on its financial position.

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AL-AHLEIA INSURANCE COMPANY S.A.K.P.

Report on Other Legal and Regulatory Requirements (continued)

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No 7 of 2010 concerning establishment of Capital Market Authority "CMA" and organisation of security activity and its executive regulations, as amended, during the six-month period ended 30 June 2026 that might have had a material effect on the business of the Parent Company or on its financial position.

BADER A. AL-ABDULJADER
LICENCE NO. 207 A
EY
AL AIBAN, AL OSAIMI & PARTNERS

6 August 2026
Kuwait

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the period ended 30 June 2026

		Three months ended 30 June		*Six months ended 30 June*	
	Notes	***2026 KD***	*2025 KD*	***2026 KD***	*2025 KD*
Revenue:					
Insurance revenue	4	**35,017,536**	35,067,544	**69,883,784**	69,747,159
Insurance service expenses	4	**(25,483,035)**	(28,832,431)	**(48,138,893)**	(57,101,713)
Insurance service result before reinsurance contracts held		**9,534,501**	6,235,113	**21,744,891**	12,645,446
Amounts recoverable from reinsurance	5	**2,255,951**	2,947,337	**2,736,278**	9,017,147
Allocation of reinsurance premiums	5	**(5,669,911)**	(5,790,967)	**(11,047,124)**	(11,781,994)
Net expense from reinsurance contracts held		**(3,413,960)**	(2,843,630)	**(8,310,846)**	(2,764,847)
Insurance service result		**6,120,541**	3,391,483	**13,434,045**	9,880,599
Finance expenses from insurance contracts issued	4	**(485,259)**	(955,338)	**(1,737,141)**	(2,242,942)
Finance income from reinsurance contracts held	5	**260,215**	289,773	**633,752**	890,439
Net finance expense		**(225,044)**	(665,565)	**(1,103,389)**	(1,352,503)
Net insurance financial result		**5,895,497**	2,725,918	**12,330,656**	8,528,096
Net investment income	6	**2,590,727**	5,567,392	**2,823,101**	11,893,366
Rental income from investment properties		**170,395**	140,398	**326,507**	284,821
Investment property operating expenses		**(14,878)**	(20,619)	**(31,481)**	(37,702)
Unallocated general and administrative expenses		**(1,242,579)**	(3,845,235)	**(2,224,847)**	(4,865,639)
Depreciation expenses		**(101,162)**	(113,073)	**(196,473)**	(193,622)
Net other expenses		**(7,961)**	(760,214)	**(65,434)**	(992,238)
Net foreign exchange differences		**(376,547)**	638,083	**(275,838)**	768,368
Finance cost		**(22,070)**	(626)	**(133,858)**	(824)
PROFIT BEFORE TAX		**6,891,422**	4,332,024	**12,552,333**	15,384,626
Contribution to Kuwait Foundation for Advancement of Sciences ("KFAS")		**(70,845)**	(43,941)	**(128,047)**	(155,140)
National Labour Support Tax ("NLST")		**(146,176)**	(96,872)	**(270,686)**	(367,371)
Zakat		**(58,470)**	(38,747)	**(108,274)**	(146,946)
NET PROFIT FOR THE PERIOD		**6,615,931**	4,152,464	**12,045,326**	14,715,169
Attributable to:					
Equity holders of the Parent Company		**5,835,405**	3,551,880	**10,637,581**	13,517,690
Non-controlling interests		**780,526**	600,584	**1,407,745**	1,197,479
PROFIT FOR THE PERIOD		**6,615,931**	4,152,464	**12,045,326**	14,715,169
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	7	**23.75 fils**	14.44 fils	**43.30 fils**	54.93 fils

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2026

	Three months ended 30 June		*Six months ended 30 June*	
	2026 KD	*2025 KD*	***2026 KD***	*2025 KD*
PROFIT FOR THE PERIOD	**6,615,931**	4,152,464	**12,045,326**	14,715,169
Other comprehensive income:				
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:				
Share of other comprehensive income from associates	**678**	54,435	**214,352**	471,582
Exchange difference on translation on foreign operation	**323,703**	(360,636)	**87,027**	(397,319)
	324,381	(306,201)	**301,379**	74,263
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:				
-Net gain on financial instruments at fair value through other comprehensive income	**3,652,492**	1,033,163	**1,704,902**	1,796,211
Other comprehensive income for the period	**3,976,873**	726,962	**2,006,281**	1,870,474
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**10,592,804**	4,879,426	**14,051,607**	16,585,643
Attributable to:				
Equity holders of the Parent Company	**9,772,210**	4,295,879	**12,658,303**	15,410,579
Non-controlling interests	**820,594**	583,547	**1,393,304**	1,175,064
	10,592,804	4,879,426	**14,051,607**	16,585,643

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2026

	Notes	***30 June 2026 KD***	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
ASSETS				
Cash and cash equivalents	8	**9,053,645**	10,017,843	7,920,058
Term deposits	8	**255,156,988**	273,104,562	235,589,255
Other assets		**7,772,447**	6,140,798	6,520,414
Insurance contract assets	4	**77,976**	56,825	531
Reinsurance contract assets	5	**56,368,592**	60,180,685	62,231,649
Debt instrument at amortised cost	9	**50,863,239**	48,843,562	43,623,460
Financial assets at fair value through other comprehensive income	9	**26,275,470**	25,392,681	23,426,615
Financial assets at fair value through profit or loss	9	**42,025,387**	40,297,403	41,164,608
Investment properties		**11,873,690**	11,873,462	11,849,489
Investments in associates		**13,587,770**	17,374,620	22,243,830
Property and equipment		**3,781,699**	3,883,076	4,043,851
TOTAL ASSETS		**476,836,903**	497,165,517	458,613,760
LIABILITIES AND EQUITY				
LIABILITIES				
Insurance contract liabilities	4	**246,455,900**	257,563,365	248,048,513
Reinsurance contract liabilities	5	**5,886,621**	6,929,927	7,453,888
Other liabilities		**24,353,432**	25,263,979	24,950,165
Bank facilities		**-**	13,600,000	-
TOTAL LIABILITIES		**276,695,953**	303,357,271	280,452,566
Equity				
Share capital	10	**25,000,000**	23,600,000	23,600,000
Statutory reserve	11	**20,000,000**	20,000,000	20,000,000
Voluntary reserve	11	**22,500,000**	22,500,000	20,000,000
Special voluntary reserve	11	**22,500,000**	22,500,000	20,000,000
Treasury shares	12	**(1,277,407)**	(1,277,407)	(1,277,407)
Treasury shares reserve		**1,477,111**	1,477,111	1,477,111
Fair value reserve		**(1,904,982)**	(4,071,273)	(6,551,104)
Foreign currency translation reserve		**285,288**	186,350	98,506
Retained earnings		**87,683,968**	88,988,771	82,397,608
Other reserves		**4,594,075**	4,285,065	4,285,632
EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY		**180,858,053**	178,188,617	164,030,346
Non-controlling interests		**19,282,897**	15,619,629	14,130,848
TOTAL EQUITY		**200,140,950**	193,808,246	178,161,194
TOTAL LIABILITIES AND EQUITY		**476,836,903**	497,165,517	458,613,760

Ayman Abdullatif Al-Shaya
Chairman

Yousef Saad Al Saad
Chief Executive Officer

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2026

	Equity attributable to equity holders of the Parent Company												
	Share capital KD	***Statutory reserve KD***	***Voluntary reserve KD***	***Special voluntary reserve KD***	***Treasury shares KD***	***Treasury shares reserve KD***	***Fair value reserve KD***	***Foreign currency translation reserve KD***	***Retained earnings KD***	***Other reserves KD***	***Subtotal KD***	***Non-controlling interests KD***	***Total equity KD***
As at 1 January 2026	**23,600,000**	**20,000,000**	**22,500,000**	**22,500,000**	**(1,277,407)**	**1,477,111**	**(4,071,273)**	**186,350**	**88,988,771**	**4,285,065**	**178,188,617**	**15,619,629**	**193,808,246**
Profit for the period	-	-	-	-	-	-	-	-	**10,637,581**	-	**10,637,581**	**1,407,745**	**12,045,326**
Other comprehensive income for the period	-	-	-	-	-	-	**1,921,784**	**98,938**	-	-	**2,020,722**	**(14,441)**	**2,006,281**
Total comprehensive income for the period	-	-	-	-	-	-	**1,921,784**	**98,938**	**10,637,581**	-	**12,658,303**	**1,393,304**	**14,051,607**
Cash dividends (Note 13)	-	-	-	-	-	-	-	-	**(6,958,025)**	-	**(6,958,025)**	**(720,667)**	**(7,678,692)**
Issue of bonus shares (Note 13)	**1,400,000**	-	-	-	-	-	-	-	**(1,400,000)**	-	-	-	-
In-kind dividends (Note 13)	-	-	-	-	-	-	-	-	**(3,339,852)**	**322,616**	**(3,017,236)**	**3,017,236**	-
Change of ownership percentage of a subsidiary	-	-	-	-	-	-	-	-	-	**(13,606)**	**(13,606)**	**(26,605)**	**(40,211)**
Transfer of fair value reserve on derecognition of equity instruments designed at FVOCI	-	-	-	-	-	-	**244,507**	-	**(244,507)**	-	-	-	-
At 30 June 2026	**25,000,000**	**20,000,000**	**22,500,000**	**22,500,000**	**(1,277,407)**	**1,477,111**	**(1,904,982)**	**285,288**	**87,683,968**	**4,594,075**	**180,858,053**	**19,282,897**	**200,140,950**

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) (continued)

For the period ended 30 June 2026

	Equity attributable to equity holders of the Parent Company												
	Share capital KD	*Statutory reserve KD*	*Voluntary reserve KD*	*Special voluntary reserve KD*	*Treasury shares KD*	*Treasury shares reserve KD*	*Fair value reserve KD*	*Foreign currency translation reserve KD*	*Retained earnings KD*	*Other reserves KD*	*Subtotal KD*	*Non-controlling interests KD*	*Total equity KD*
As at 1 January 2025	22,050,000	20,000,000	20,000,000	20,000,000	(1,277,216)	1,477,111	(8,782,271)	460,687	77,063,091	3,315,958	154,307,360	10,626,706	164,934,066
Profit for the period	-	-	-	-	-	-	-	-	13,517,690	-	13,517,690	1,197,479	14,715,169
Other comprehensive income (loss)	-	-	-	-	-	-	2,255,070	(362,181)	-	-	1,892,889	(22,415)	1,870,474
Total comprehensive income for the period	-	-	-	-	-	-	2,255,070	(362,181)	13,517,690	-	15,410,579	1,175,064	16,585,643
Cash dividends (Note 13)	-	-	-	-	-	-	-	-	(3,033,824)	-	(3,033,824)	(322,901)	(3,356,725)
Issue of bonus shares (Note 10)	1,550,000	-	-	-	-	-		-	(1,550,000)	-	-	-	-
Purchase of treasury shares	-	-	-	-	(191)	-	-	-	-	-	(191)	-	(191)
Change of ownership percentage of a subsidiary	-	-	-	-	-	-	-	-	-	(1,723)	(1,723)	124	(1,599)
In-kind dividends (Note 13)	-	-	-	-	-	-	-	-	(3,623,252)	971,397	(2,651,855)	2,651,855	-
Transfer of fair value reserve on derecognition of equity instruments designed at FVOCI	-	-	-	-	-	-	(23,903)	-	23,903	-	-	-	-
At 30 June 2025	23,600,000	20,000,000	20,000,000	20,000,000	(1,277,407)	1,477,111	(6,551,104)	98,506	82,397,608	4,285,632	164,030,346	14,130,848	178,161,194

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2026

	Notes	*Six months ended 30 June* **2026** **KD**	*2025* *KD*
OPERATING ACTIVITIES			
Profit before tax		**12,552,333**	15,384,626
Adjustments for:			
Depreciation of property and equipment		**196,473**	193,622
Investment income	6	**(2,823,101)**	(11,893,366)
Rental income from investment properties		**(326,507)**	(284,821)
Provision of employees' end of service benefits		**291,181**	362,732
Finance costs		**133,858**	824
		10,024,237	3,763,617
Changes in operating assets and liabilities:			
Other assets		**576,178**	2,287,295
Insurance contract assets		**(21,151)**	55,029
Reinsurance contract assets		**3,811,812**	(2,794,183)
Insurance contract liabilities		**(11,047,325)**	12,574,896
Reinsurance contract liabilities		**(1,043,306)**	(1,203,536)
Other liabilities		**(282,369)**	1,815,606
Cash flows from operations		**2,018,076**	16,498,724
Employees' end of service benefits paid		**(151,031)**	(9,837)
Taxes paid		**(1,336,831)**	(966,030)
Net cash flows from operating activities		**530,214**	15,522,857
INVESTING ACTIVITIES			
Movement in term deposits with original maturity of more than three months		**17,947,574**	(19,468,292)
Net of acquisition for non-controlling interest		**(40,211)**	(1,599)
Purchase of financial assets at FVPL		**(4,923,541)**	(4,459,361)
Purchase of financial assets at FVOCI		**(302,395)**	(904,666)
Proceed from sale of financial assets at FVPL		**1,208,868**	3,265,253
Proceed from sale of financial assets at FVOCI		**1,124,507**	324,430
Purchase of property and equipment		**(94,659)**	(774,697)
Investment income received		**6,796,444**	6,480,003
Purchase of debt instruments at amortised cost		**(2,000,000)**	(8,147)
Proceeds from sale of debt instruments at amortised cost		**-**	2,000,000
Rental income received		**296,721**	321,730
Dividend income from investment in associates		**-**	708,549
Net cash flows from (used in) investing activities		**20,013,308**	(12,516,797)
FINANCING ACTIVITIES			
Cash dividends paid		**(7,617,197)**	(3,323,739)
Purchase of treasury shares		**-**	(191)
Finance costs paid		**(133,858)**	(824)
Repayments of borrowings		**(13,600,000)**	-
Net cash flows used in financing activities		**(21,351,055)**	(3,324,754)
Foreign currency exchange differences		**(156,665)**	(94,954)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(964,198)**	(413,648)
Cash and cash equivalents at 1 January		**10,017,843**	8,333,706
CASH AND CASH EQUIVALENTS AT 30 JUNE	8	**9,053,645**	7,920,058

The attached notes 1 to 18 form part of this interim condensed consolidated financial information.

1 CORPORATE INFORMATION

The interim condensed consolidated financial information of Al-Ahleia Insurance Company K.S.C.P. (the "Parent Company") and its and its subsidiaries – Kuwait Reinsurance Company K.S.C.P., and Trade Union Holding CO. B.S.C. (Closed), Bahrain, (collectively, the "Group") for the six months ended 30 June 2026 was authorised for issue in accordance with a resolution of the Board of Directors on 6 August 2026.

The consolidated financial statements of the Group for the year ended 31 December 2025 were approved by the shareholders of the Parent Company at the Annual General Assembly meeting ("AGM") held on 29 March 2026. Dividends approved are disclosed in Note 13.

Al-Ahleia Insurance Company S.A.K.P. (the "Parent Company") is a Kuwaiti public shareholding company incorporated in the State of Kuwait and listed on Boursa Kuwait. The interim condensed consolidated financial information comprises the Parent Company and its subsidiaries (together, the "Group"). The Group is principally engaged in the underwriting of general, life and medical insurance and reinsurance activities and the management of investment portfolios. The Parent Company was established in 1962 under the Insurance Companies and Agents Law No. 24 of 1961 and its subsequent amendments. The Parent Company's head office is located at Ahmad Al-Jaber Street, P.O. Box 1602, Safat 13017, Kuwait.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information for the period ended 30 June 2026 of the Group has been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the interim condensed consolidated financial information on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial information are presented in Kuwaiti Dinars ("KD") which is also the functional currency of the Parent company.

The interim condensed consolidated financial information does not contain all information and disclosures required in the annual consolidated financial statements prepared in accordance with the IFRS Accounting Standards and should be read in conjunction with the Group's annual financial statements as at and for the year ended 31 December 2025.

3 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 impact of adoption of amendments to and improvements in IFRS Accounting standards, as described below. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The amendments did not have a material impact on the Group's interim condensed consolidated financial information.

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (continued)

Annual Improvements to IFRS Accounting Standards - Volume 11
In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 7 *Financial instruments: Disclosure* and its accompanying Guidance on implementing IFRS 7, IFRS 9 F*inancial Instruments*, IFRS 10 *Consolidated Financial Statements* and IAS 7 *Statements of Cash Flows*.

The amendments will be effective for reporting periods beginning on or after 1 January 2026.

Other amendments and improvements to IFRS Accounting Standards which are effective for annual accounting period starting from 1 January 2026 did not have any material impact on the accounting policies, financial position or performance of the Group.

4 INSURANCE CONTRACT ASSETS/ LIABILITIES

	30 June 2026					*30 June 2025*				
	Liabilities for remaining coverage (LRC)		***Liabilities for incurred claims (LIC)***			*Liabilities for remainingcoverage (LRC)*		*Liabilities for incurred claims (LIC)*		
	Excluding loss component KD	***Loss component KD***	***Estimates of the present value of future cash flows KD***	***Risk adjustment KD***	***Total KD***	*Excluding loss component KD*	*Loss component KD*	*Estimates of the present value of futurecash flows KD*	*Risk adjustment KD*	*Total KD*
Opening liabilities	**(12,070,678)**	**-**	**197,026,129**	**72,607,914**	**257,563,365**	(11,515,724)	-	184,855,917	61,994,591	235,334,784
Opening assets	**(135,507)**	**-**	**38,552**	**40,130**	**(56,825)**	(458,221)	-	188,187	214,474	(55,560)
Net opening balance	**(12,206,185)**	**-**	**197,064,681**	**72,648,044**	**257,506,540**	(11,973,945)	-	185,044,104	62,209,065	235,279,224
Changes in the interim condensed consolidated statement of profit or loss										
Insurance revenue	**(69,883,784)**	**-**			**(69,883,784)**	(69,747,159)	-	-	-	(69,747,159)
Insurance service expenses										-
Incurred claims and other directly attributable expenses	**-**	**-**	**51,729,700**	**12,362,190**	**64,091,890**	-	-	114,522,678	48,779,918	163,302,596
Changes relating to liabilities for incurred claims	**-**	**-**	**(5,948,368)**	**(17,395,115)**	**(23,343,483)**	-	-	(65,941,540)	(47,045,594)	(112,987,134)
Insurance acquisition costs incurred	**7,390,486**	**-**	**-**	**-**	**7,390,486**	6,786,251	-	-	-	6,786,251
Insurance service expenses	**7,390,486**	**-**	**45,781,332**	**(5,032,925)**	**48,138,893**	6,786,251	-	48,581,138	1,734,324	57,101,713
Insurance service result	**(62,493,298)**	**-**	**45,781,332**	**(5,032,925)**	**(21,744,891)**	(62,960,908)	-	48,581,138	1,734,324	(12,645,446)
Net finance expense from insurance contracts		**-**	**1,737,141**	**-**	**1,737,141**	-	-	2,242,942	-	2,242,942
Effect of movements in exchange rates	**(6,554)**	**-**	**33,125**	**17,819**	**44,390**	13,014	-	(65,527)	(49,675)	(102,188)
Total changes in the interim condensed consolidated statement of profit or loss	**(62,499,852)**	**-**	**47,551,598**	**(5,015,106)**	**(19,963,360)**	(62,947,894)	-	50,758,553	1,684,649	(10,504,692)
Cash flows										
Premiums received	**60,728,314**	**-**	**-**	**-**	**60,728,314**	67,596,910	-	-	-	67,596,910
Claims and other directly attributable expenses paid	**-**	**-**	**(43,668,031)**	**-**	**(43,668,031)**	-	-	(36,682,321)	-	(36,682,321)
Insurance acquisition cash flows	**(8,225,539)**	**-**	**-**	**-**	**(8,225,539)**	(7,641,139)	-	-	-	(7,641,139)
Total cash flows	**52,502,775**	**-**	**(43,668,031)**	**-**	**8,834,744**	59,955,771	-	(36,682,321)	-	23,273,450
Net closing balance	**(22,203,262)**	**-**	**200,948,248**	**67,632,938**	**246,377,924**	(14,966,068)	-	199,120,336	63,893,714	248,047,982
Closing liabilities	**(21,868,663)**	**-**	**200,789,477**	**67,535,086**	**246,455,900**	(14,965,758)	-	199,120,501	63,893,770	248,048,513
Closing assets	**(334,599)**	**-**	**158,771**	**97,852**	**(77,976)**	(310)	-	(165)	(56)	(531)
Net closing balance	**(22,203,262)**	**-**	**200,948,248**	**67,632,938**	**246,377,924**	(14,966,068)	-	199,120,336	63,893,714	248,047,982

5 REINSURANCE CONTRACTS ASSETS /LIABILITIES

	30 June 2026					*30 June 2025*				
	Assets for remaining coverage (ARC)		*Assets for amounts recoverable on incurred claims (AIC)*			*Assets for remaining coverage (ARC)*		*Assets for amounts recoverable on incurred claims (AIC)*		
	Excluding loss component KD	*Loss component KD*	*Estimates of the present value of future cash flows KD*	*Risk adjustment KD*	*Total KD*	*Excluding loss component KD*	*Loss component KD*	*Estimates of the present value of futurecash flows KD*	*Risk adjustment KD*	*Total KD*
Opening liabilities	10,447,389	-	(3,352,943)	(164,519)	6,929,927	12,697,041	-	(3,913,350)	(126,267)	8,657,424
Opening assets	(5,431,517)	-	(52,605,496)	(2,143,672)	(60,180,685)	(1,895,316)	-	(56,010,489)	(1,531,661)	(59,437,466)
Net opening balance	5,015,872	-	(55,958,439)	(2,308,191)	(53,250,758)	10,801,725	-	(59,923,839)	(1,657,928)	(50,780,042)
Changes in the interim condensed consolidated statement of profit or loss										
Allocation of reinsurance premiums	11,047,124	-	-	-	11,047,124	11,781,994	-	-	-	11,781,994
Amounts recoverable from reinsurers						-	-	(37,070,568)	(1,894,237)	(38,964,805)
Incurred claims & other expenses	-	-	(5,639,317)	(254,278)	(5,893,595)	-	-	29,113,881	833,777	29,947,658
Changes in amounts recoverable on incurred claims	-	-	3,068,145	89,172	3,157,317	-	-	-	-	-
Total amounts recoverable from reinsurers	-	-	(2,571,172)	(165,106)	(2,736,278)	-	-	(7,956,687)	(1,060,460)	(9,017,147)
Net expense (income) from reinsurance contracts held	11,047,124	-	(2,571,172)	(165,106)	8,310,846	11,781,994	-	(7,956,687)	(1,060,460)	2,764,847
Net finance income from reinsurance contracts	-	-	(633,752)	-	(633,752)	-	-	(890,439)	-	(890,439)
Effect of movements in exchange rates	1,024	-	(1,839)	(158)	(973)	(3,108)	-	3,368	135	395
Total changes in the interim condensed consolidated statement of profit or loss	11,048,148	-	(3,206,763)	(165,264)	7,676,121	11,778,886	-	(8,843,758)	(1,060,325)	1,874,803
Cash flows										
Premiums paid net of commission received	(8,759,657)	-	-	-	(8,759,657)	(11,730,947)	-	-	-	(11,730,947)
Claims and other recoveries	-	-	3,920,646	-	3,920,646	-	-	5,934,115	-	5,934,115
Directly attributable expenses paid	-	-	(68,323)	-	(68,323)	-	-	(75,690)	-	(75,690)
Total cash flows	(8,759,657)	-	3,852,323	-	(4,907,334)	(11,730,947)	-	5,858,425	-	(5,872,522)
Net closing balance	7,304,363	-	(55,312,879)	(2,473,455)	(50,481,971)	10,849,664	-	(62,909,172)	(2,718,253)	(54,777,761)
Closing liabilities	9,680,606	-	(3,615,151)	(178,834)	5,886,621	11,604,014	-	(3,970,018)	(180,108)	7,453,888
Closing assets	(2,376,243)	-	(51,697,728)	(2,294,621)	(56,368,592)	(754,350)	-	(58,939,154)	(2,538,145)	(62,231,649)
Net closing balance	7,304,363	-	(55,312,879)	(2,473,455)	(50,481,971)	10,849,664	-	(62,909,172)	(2,718,253)	(54,777,761)

6 NET INVESTMENT INCOME

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD	*KD*	***KD***	*KD*
Dividend income	**709,755**	1,126,946	**1,489,641**	1,636,296
Interest income	**3,383,099**	3,003,260	**6,880,220**	5,940,644
Dividend income from funds	**94,710**	306,563	**604,624**	537,674
Net realised gain from sale of financial assets at fair value through profit or loss	**66,933**	131,676	**66,933**	175,702
Unrealised (loss) profit on financial assets at fair value through profit or loss	**(723,957)**	1,701,930	**(2,059,487)**	4,066,316
Share of results of associates	**(939,813)**	(702,983)	**(4,158,830)**	(463,266)
	2,590,727	5,567,392	**2,823,101**	11,893,366

7 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the profit for the period by the weighted average number of shares outstanding, excluding treasury shares during the period, as follows:

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD	*KD*	***KD***	*KD*
		Restated		*Restated*
Profit for the period attributable to the equity holders of the Parent Company (KD)	**5,835,405**	3,551,880	**10,637,581**	13,517,690
Weighted average number of ordinary shares outstanding during the period (excluding treasury shares) (shares)	**245,692,668**	245,990,126	**245,692,668**	246,096,429
Basic and diluted earnings per share	**23.75 fils**	14.44 fils	**43.30 fils**	54.93 fils

Earnings per share for the three months and six months period ended 30 June 2025 were 15.31 fils and 54.93 fils per share respectively, before retroactive adjustment to the number of shares following the bonus shares issuance (Note 13).

8 CASH AND CASH EQUIVALENTS

	30 June 2026	*(Audited) 31 December 2025*	*30 June 2025*
	KD	*KD*	*KD*
Term deposits	**256,698,988**	273,104,562	235,589,255
Bank balances and cash	**7,511,645**	10,017,843	7,920,058
	264,210,633	283,122,405	243,509,313
Cash and short-term deposits			
Term deposits with original maturity of more than three months	**(255,156,988)**	(273,104,562)	(235,589,255)
Cash and cash equivalents	**9,053,645**	10,017,843	7,920,058

8 CASH AND CASH EQUIVALENTS (continued)

Term deposits include an amount of KD 4,400,000 related to the Parent Company held in State of Kuwait under lien to the Insurance Regulatory Unit (IRU) in accordance with insurance regulations of State of Kuwait (31 December 2025: KD 4,400,000 and 30 June 2025: KD 4,100,000).

9 FINANCIAL ASSETS

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Financial assets carried at fair value through other comprehensive income:			
▪ Quoted equity securities	**16,411,333**	16,295,877	14,200,191
▪ Unquoted equity securities	**7,796,934**	7,008,797	6,746,421
▪ Quoted managed funds	**2,033,067**	2,028,009	2,394,989
▪ Unquoted managed funds	**34,136**	59,998	85,014
	26,275,470	25,392,681	23,426,615
Financial assets carried at fair value through profit or loss:			
▪ Quoted equity securities	**27,311,328**	24,878,314	24,422,290
▪ Unquoted equity securities	**819,786**	813,923	768,302
▪ Quoted managed funds	**628,792**	615,749	616,193
▪ Unquoted managed funds	**13,265,481**	13,989,417	15,357,823
Total	**42,025,387**	40,297,403	41,164,608
Debt instruments at amortised cost	**50,863,239**	48,843,562	43,623,460
	119,164,096	114,533,646	108,214,683

10 SHARE CAPITAL

The Parent Company's authorized share capital comprises of 300,000,000 shares (31 December 2025: 300,000,000 shares and 30 June 2025: 300,000,000 shares). Issued and fully paid-up share capital consists of 250,000,000 shares of 100 fils each (31 December 2025: 236,000,000 shares of 100 fils and 30 June 2025: 236,000,001 shares of 100 fils each).

The Annual General Assembly ("AGM") of the Parent Company's shareholders held on 29 March 2026 approved Issue of 14,000,000 (2024:15,500,000) bonus shares with total amount of KD 1,400,000 (2024: KD 1,550,000). Accordingly, the commercial register has been updated to relflect the change in the paid up capital on 12th April 2026 and distributed on 26 April 2026 (Note 13).

11 RESERVES

STATUTORY RESERVE

As required by the Companies Law and the Parent Company's Memorandum of Incorporation and Articles of Association, a minimum of 10% of the profit for the year shall be transferred to the statutory reserve. The annual general assembly of the Parent Company may resolve to discontinue such transfer when the reserve exceeds 50% of the issued share capital. The reserve may only be used to offset losses or enable the payment of a dividend up to 5% of paid-up share capital in years when profit is not sufficient for the payment of such dividend due to absence of distributable reserves. Any amounts deducted from the reserve shall be refunded when the profits in the following years suffice, unless such reserve exceeds 50% of the issued share capital.

As the statutory reserve reached above 50% of share capital, the Parent Company's board of directors has not transferred any amount from retained earnings to the statutory reserve.

11 RESERVES (continued)

VOLUNTARY RESERVE

On 29 March 2026, the Ordinary Annual General Assembly of the shareholders of the Parent Company approved the transfer of an amount of KD 2,500,000 from the profit for the year ended 31 December 2025 to the voluntary reserve.

SPECIAL VOLUNTARY RESERVE

On 29 March 2026, the Ordinary Annual General Assembly of the shareholders of the Parent Company approved the transfer of an amount of KD 2,500,000 from the profit for the year ended 31 December 2025 to the special voluntary reserve.

12 TREASURY SHARES

	30 June 2026	*(Audited) 31 December 2025*	*30 June 2025*
Number of treasury shares	**4,307,332**	4,065,822	4,065,822
Percentage of issued shares (%)	**1.72**	1.72	1.72
Cost (KD)	**1,277,407**	1,277,407	1,277,407
Market value (KD)	**3,730,150**	3,374,632	3,049,367

Reserves amounting to KD 1,477,111 (31 December 2025: KD 1,477,111 and 30 June 2025: KD 1,477,111) equivalent to the cost of the treasury shares held, are not available for distribution during the holding period of such shares as per CMA guidelines.

The weighted average market price of the Parent Company's shares for the period ended 30 June 2026 is 735 fils per share (31 December 2025: 804 fils per share and 30 June 2025: 727 fils per share).

13 ANNUAL GENERAL ASSEMBLY

The Annual General Assembly meeting of the shareholders of the Parent Company held on 29 March 2026 approved the consolidated financial statements for the year ended 31 December 2025 and approved the cash dividends of 30% (30 fils per share), with a total amount of KD 6,958,025 (2024: KD 3,033,824) and 14,000,000 (2024:15,500,000) bonus shares with total amount of KD 1,400,000 (2024: KD 1,550,000) and in-kind distributions of 4% of the Parent Company's shares in Kuwait Reinsurance Company, the subsidiary, to the shareholders of the Parent Company at a rate of four shares for every 100 shares. This has been approved by Boursa Kuwait Securities Company and the regulatory authorities on 12 April 2026.

14 SEGMENT INFORMATION

The Group operates in following segments: general risk insurance, life and medical insurance, reinsurance and investment. Within general risk insurance are Marine and Aviation, General Accidents and Fire and Motor.

The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with interim condensed consolidated statement of profit or loss.

The following are the details of these segments:

30 June 2026 (unaudited)	*Total general risk insurance KD*	*Life and medical insurance KD*	*Reinsurance KD*	*Investment and unallocated KD*	*Total KD*
Revenue	**17,485,994**	**5,391,631**	**47,006,159**	**2,823,101**	**72,706,885**
Segment results before contribution to KFAS, NLST and Zakat	**5,058,715**	**799,943**	**9,475,350**	**(2,781,675)**	**12,552,333**

	Total general risk insurance KD	*Life and medical insurance KD*	*Reinsurance KD*	*Investment and unallocated KD*	*Total KD*
Total Assets	**41,101,039**	**13,273,561**	**271,101,225**	**151,361,078**	**476,836,903**
Total Liabilities	**55,041,069**	**63,852,083**	**157,573,037**	**229,764**	**276,695,953**
31 December 2025 (Audited)					
Total Assets	50,693,926	12,802,599	273,167,961	160,501,031	497,165,517
Total Liabilities	70,661,368	69,084,362	163,383,515	228,026	303,357,271

14 SEGMENT INFORMATION (continued)

30 June 2025 (*unaudited*)	*Total general risk insurance KD*	*Life and Medical insurance KD*	*Reinsurance KD*	*Investment and unallocated KD*	*Total KD*
Revenue	16,718,117	9,762,879	43,266,163	11,893,366	81,640,525
Segment results before contribution to KFAS, NLST and Zakat	3,263,439	416,606	9,960,634	1,743,947	15,384,626

	Total general risk insurance KD	*Life and medical insurance KD*	*Reinsurance KD*	*Investment and unallocated KD*	*Total KD*
Total Assets	33,537,095	14,630,528	255,420,808	155,025,329	458,613,760
Total Liabilities	55,576,145	68,134,541	156,513,931	227,949	280,452,566

15 RELATED PARTY DISCLOSURES

The Group has entered into various transactions with related parties, i.e. shareholders, Board of directors, key management personnel, associates and other related parties in the normal course of its business concerning financing and other related services. Prices and terms of payment are approved by the Group's management. Significant related party transactions and balances are as follows:

Balances included in the interim condensed consolidated statement of financial position

	Key Management and board members KD	***Associates KD***	***Parent Company's shareholders KD***	***Others KD***	***30 June 2026 KD***	*(Audited) 31December 2025 KD*	*30 June 2025 KD*
Premium receivable	**91,302**	**47,511**	**1,748,784**	**4,143**	**1,891,740**	**1,970,451**	868,314
Other Liabilities	**607,648**	**-**	**50,217**	**1,666**	**659,531**	**687,512**	102,392
Financial assets	**-**	**-**	**-**	**3,361,394**	**3,361,394**	**4,240,747**	3,602,507

Transactions included in the interim condensed consolidated statement of profit or loss

Six months period ended 30 June 2026

	Key Management and board members KD	***Associates KD***	***Parent Company's shareholders KD***	***Others KD***	***Total KD***
Written premiums	**35,805**	**26,042**	**941,787**	**4,523**	**1,008,157**
Claims incurred	-	**203**	**120,305**	-	**120,508**
Dividends income	-	-	-	**70,915**	**70,915**

Six months period ended 30 June 2025

	Key Management and board members KD	*Associates KD*	*Parent Company's shareholders KD*	*Others KD*	*Total KD*
Written premiums	90,816	17,709	1,253,894	4,142	1,366,561
Claims incurred	-	-	70,093	-	70,093
Dividend income	-	-	-	130,787	130,787

Compensation to key management personnel:

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.

	Six months ended 30 June	
	2026 KD	*2025 KD*
Short term employees' benefits	**1,439,615**	1,414,656
Employees' end of service benefit	**80,865**	148,177
	1,520,480	1,562,833

16 CAPITAL COMMITMENTS AND CONTINGENCIES

	30 June 2026 KD	*(Audited) 31 December 2025 KD*	*30 June 2025 KD*
Letters of guarantee	**1,473,926**	1,435,408	1,458,242
Capital commitments	**2,510,931**	2,968,929	3,371,288

Contingencies
The Group is subject to litigation in the normal course of its business. The Group based on independent and internal legal advice, does not believe that the outcome of these court cases will have a material impact on the Group's interim condensed consolidated statement of profit or loss or interim condensed consolidated financial positions.

17 FAIR VALUE MEASUREMENT

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities

Level 2 — Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable)

Level 3 — Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. During the six-month period ended 30 June 2026.

	Fair value measurement using			
30 June 2026 (unaudited)	***Quoted prices in active markets (Level 1) KD***	***Directly or indirectly observable inputs (Level 2) KD***	***Significant unobservable inputs (Level 3) KD***	***Total KD***
Investments carried at fair value through other comprehensive income:				
Quoted equity securities	**16,411,333**	**-**	**-**	**16,411,333**
Unquoted equity securities	**-**	**-**	**7,796,934**	**7,796,934**
Quoted managed funds	**2,033,067**	**-**	**-**	**2,033,067**
Unquoted managed funds	**-**	**-**	**34,136**	**34,136**
Total	**18,444,400**	**-**	**7,831,070**	**26,275,470**
Investments carried at fair value through profit or loss:				
Quoted equity securities	**27,311,328**	**-**	**-**	**27,311,328**
Unquoted equity securities	**-**	**45,365**	**774,421**	**819,786**
Quoted managed funds	**628,792**	**-**	**-**	**628,792**
Unquoted managed funds	**-**	**-**	**13,265,481**	**13,265,481**
Total	**27,940,120**	**45,365**	**14,039,902**	**42,025,387**
Investment properties	**-**	**-**	**11,873,690**	**11,873,690**

17 FAIR VALUE MEASUREMENT (continued)

	Fair value measurement using			
31 December 2025 (audited)	*Quoted prices in active markets (Level 1) KD*	*Significant observable inputs (Level 2) KD*	*Significant unobservable inputs (Level 3) KD*	*Total KD*
Investments carried at fair value through other comprehensive income:				
Quoted equity securities	16,295,877	-	-	16,295,877
Unquoted equity securities	-	-	7,008,797	7,008,797
Quoted managed funds	2,028,009	-	-	2,028,009
Unquoted managed funds	-	-	59,998	59,998
Total	18,323,886	-	7,068,795	25,392,681
Investments carried at fair value through profit or loss:				
Quoted equity securities	24,878,314	-	-	24,878,314
Unquoted equity securities	-	45,365	768,558	813,923
Quoted managed funds	615,749	-	-	615,749
Unquoted managed funds	-	-	13,989,417	13,989,417
Total	25,494,063	45,365	14,757,975	40,297,403
Investment properties	-	-	11,873,462	11,873,462

	Fair value measurement using		
30 June 2025	*Quoted prices in active markets (Level 1) KD*	*Significant unobservable inputs (Level 3) KD*	*Total KD*
Financial assets carried at fair value through other comprehensive income:			
Quoted equity securities	14,200,191	-	14,200,191
Unquoted equity securities	-	6,746,421	6,746,421
Quoted managed funds	2,394,989	-	2,394,989
Unquoted managed funds	-	85,014	85,014
Total	16,595,180	6,831,435	23,426,615
Financial assets carried at fair value through profit or loss:			
Quoted equity securities	24,422,290	-	24,422,290
Unquoted equity securities	-	768,302	768,302
Quoted managed funds	616,193	-	616,193
Unquoted managed funds	-	15,357,823	15,357,823
Total	25,038,483	16,126,125	41,164,608
Investment properties	-	11,849,489	11,849,489

17 FAIR VALUE MEASUREMENT (continued)

30 June 2026 (unaudited)	***As at 1 January KD***	***Remeasurement recorded in OCI KD***	***Remeasurement recorded in profit or loss KD***	***Net purchases and disposals KD***	***As at 30 June KD***
Financial assets at FVOCI:					
Unquoted equity securities	**7,008,797**	**1,897,319**	**-**	**(1,109,182)**	**7,796,934**
Unquoted managed funds	**59,998**	**(20,100)**	**-**	**(5,762)**	**34,136**
	7,068,795	**1,877,219**	**-**	**(1,114,944)**	**7,831,070**
Financial assets at FVTPL:					
Unquoted equity securities	**768,558**	**-**	**-**	**5,863**	**774,421**
Unquoted managed funds	**13,989,417**	**-**	**(678,823)**	**(45,113)**	**13,265,481**
	14,757,975	**-**	**(678,823)**	**(39,250)**	**14,039,902**

31 December 2025 (audited)	*As at 1 January KD*	*Remeasurement recorded in OCI KD*	*Remeasurement recorded in profit or loss KD*	*Net purchases / disposals KD*	*As at 31 December KD*
Financial assets at FVOCI:					
Unquoted equity securities	7,213,044	45,753	-	(250,000)	7,008,797
Unquoted managed funds	78,055	(7,625)	-	(10,432)	59,998
	7,291,099	38,128	-	(260,432)	7,068,795
Financial assets at FVTPL:					
Unquoted equity securities	775,339	-	-	(6,781)	768,558
Unquoted managed funds	14,069,755	-	438,082	(518,420)	13,989,417
	14,845,094	-	438,082	(525,201)	14,757,975

30 June 2025	*As at 1 January 2025 KD*	*Remeasurement recorded in OCI KD*	*Remeasurement recorded in profit or loss KD*	*Net purchases and disposals KD*	*As at 30 June 2025 KD*
Financial assets at FVOCI:					
Unquoted equity securities	7,213,044	(216,623)	-	(250,000)	6,746,421
Unquoted managed funds	78,055	6,959	-	-	85,014
	7,291,099	(209,664)	-	(250,000)	6,831,435
Financial assets at FVTPL:					
Unquoted equity securities	775,339	-	-	(7,037)	768,302
Unquoted managed funds	14,069,755	-	374,131	913,937	15,357,823
	14,845,094	-	374,131	906,900	16,126,125

17 FAIR VALUE MEASUREMENT (continued)

Reconciliation of recurring fair value measurement categorized within level three of the fair value hierarchy:
Set out below are the significant unobservable inputs to valuation as at 30 June 2026:

	Valuation technique	***Significant unobservable inputs***	***Range***	***Sensitivity of the input to fair value***
Unquoted equity securities	Price to book value	Discount for lack of marketability (DLOM)	10%	An increase or (decrease) by 10% in the discount for lack of marketability & loss of control would result in (decrease) or increase in fair value by KD 780 thousand.
Unquoted equity securities	Price to book value	Price to book multiple "Represents amounts used when the Group has determined that market participants would use such multiples when pricing the investments"	10%	An increase or (decrease) by 10% in the price to book multiple would result in increase or (decrease) in fair value by KD 780 thousand.
Unquoted managed funds	Adjusted net assets value	Discount for lack of marketability	10%	An increase or (decrease) by 10% in the discount for lack of marketability would result in (decrease) increase in fair value by KD 3 thousand.

18 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY

The Group operates in a global and regional economic environment that continues to be affected by heightened geopolitical tensions in the Middle East. Recent developments in the region have increased uncertainty in financial markets, energy supply and costs, regional security conditions, and global trade routes. The wider regional impact of these events may affect economic conditions relevant to the various sectors. Management has assessed the potential impacts of the geopolitical situation on the Group's operations and financial position, taking into consideration:

- Macroeconomic conditions, including inflationary pressures, interest rate volatility, and economic growth trends that may influence cost of claims and reserving.
- Market liquidity risk, including the ability to realise investments at quoted or observable market prices in periods of heightened volatility.
- Counterparty and credit risk, particularly for investments in debt instruments, funds, or structured products and retrocessionaires whose underlying counterparties may be affected by adverse economic conditions.
- Foreign exchange risk, arising from increased currency volatility in markets linked to the region.

As at the reporting date, management has not identified any material adverse impact on the Group's operations, financial performance or financial position arising from these developments. The Group's insurance policies generally include standard war exclusion clauses. While the Group underwrites certain marine war risks, these exposures are 100% reinsured under treaty arrangements, resulting in no material net retention by the Group. Accordingly, management does not consider the Group to be exposed to any material direct or indirect losses arising from ongoing regional conflicts, other than potential counterparty risk associated with the related reinsurers.
In assessing the carrying values of investment properties and other non financial assets, management has not identified any indicators of impairment requiring recognition at the reporting date. However, future adverse developments in the geopolitical environment may result in changes to key valuation assumptions.

The Group maintains liquidity buffers and capital resources that management considers sufficient to meet its commitments and operating expenses as they fall due. The Group has assessed the potential impact of adverse market movements on its ability to realise investments or access funding, including under stressed market scenarios. No breaches of liquidity thresholds, investment restrictions, or capital management policies were identified as at the reporting date.

18 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY (continued)

Management has also considered the impact of these events on the Group's ability to continue as a going concern and concluded that the going concern basis remains appropriate. The geopolitical situation remains dynamic, and the extent and duration of potential impacts on global financial markets are uncertain. Management continues to monitor developments closely and will reflect any material impacts in future valuations, risk disclosures, and financial reporting as appropriate.