

**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED
30 SEPTEMBER 2025**

BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 September 2025

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Headquarters in Riyadh

INDEPENDENT AUDITORS' REPORT ON THE REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Bupa Arabia for Cooperative Insurance Company
(A Saudi Joint Stock Company)
Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Bupa Arabia for Cooperative Insurance Company (the "Company") and its subsidiaries (collectively referred to as the "Group") as at 30 September 2025, and the related interim condensed consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, and the interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended and other explanatory notes (collectively referred to as the "interim condensed consolidated financial statements"). Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements 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" as endorsed in the Kingdom of Saudi Arabia. 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, as endorsed in the Kingdom of Saudi Arabia, 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 statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

PricewaterhouseCoopers

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KPMG Professional Services Company, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR110,000,000 and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. Commercial Registration of the headquarters in Riyadh is 1010425494.

Jeddah, Kingdom of Saudi Arabia
12 Jumada Al Awal 1447H
Corresponding to 3 November 2025

BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

		30 September 2025	31 December 2024
	Notes	(Unaudited)	(Audited)
<u>Assets</u>			
Cash and cash equivalents	4	709,724	925,190
Reinsurance contract assets	5.2	143,045	98,178
Prepaid expenses and other assets		625,711	422,944
Term deposits	7	5,442,926	6,040,542
Financial assets at amortized cost – net	6	930,791	935,811
Financial assets at fair value	6	7,728,485	6,586,463
Deferred tax asset	14	36,287	33,570
Fixtures, furniture and equipment – net		114,495	76,386
Right-of-use assets – net		269,798	131,528
Intangible assets – net		78,669	72,125
Statutory deposit – net	8	149,965	149,965
Accrued income on statutory deposit	8	4,973	4,378
Goodwill		98,000	98,000
Total assets		16,332,869	15,575,080
<u>Liabilities</u>			
Accrued and other liabilities		579,058	651,396
Insurance contract liabilities	5.1	9,155,999	9,004,813
Due to related parties	13	37,724	46,944
Lease liabilities		262,945	144,817
Provision for end-of-service benefits		218,474	191,876
Provision for zakat and income tax	14	363,736	412,859
Accrued income payable to Insurance Authority	8	4,973	4,378
Total liabilities		10,622,909	10,457,083
<u>Equity</u>			
Share capital	15	1,500,000	1,500,000
Statutory reserve	16	1,500,000	1,500,000
Share based payments reserve		71,170	48,634
Shares held under employees share scheme		(197,577)	(145,476)
Retained earnings		2,807,893	2,306,706
Re-measurement reserve for end-of-service benefits		(7,573)	(7,573)
Investments fair value reserve		36,047	(84,294)
Total equity		5,709,960	5,117,997
Total liabilities and equity		16,332,869	15,575,080


Chairman
Loay Hisham Nazer


Chief Financial Officer
Hatim Tariq Jamal


Director and Chief Executive Officer
Tal Hisham Nazer

The accompanying notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.

BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (unaudited)

For the three-month and nine-month periods ended 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	Three-month period ended 30 September		Nine-month period ended 30 September	
		2025	2024	2025	2024
Insurance revenue	5.1	5,044,134	4,552,195	14,169,615	13,488,667
Insurance service expense	5.1	(4,749,045)	(4,193,499)	(13,253,603)	(12,400,908)
Net income / (expenses) from reinsurance contracts held	5.2	13,584	(14,911)	(27,075)	(45,046)
Net insurance service result		308,673	343,785	888,937	1,042,713
Commission and income on financial assets at amortized cost		90,314	100,119	272,450	308,870
Commission and income on financial assets at fair value		96,672	73,656	285,444	206,052
Net impairment reversal / (loss) on financial assets		326	(88)	206	(234)
Net investment results		187,312	173,687	558,100	514,688
Net insurance and investment results		495,985	517,472	1,447,037	1,557,401
Other operating expenses		(108,013)	(109,387)	(309,755)	(293,487)
Other revenue		26,140	22,438	72,139	67,743
Other cost		(11,869)	(9,137)	(31,651)	(29,342)
Income attributed to the shareholders before zakat and income tax		402,243	421,386	1,177,770	1,302,315
Zakat reversal / (charge)	14	1,334	(23,003)	(34,795)	(61,493)
Income tax charge	14	(39,572)	(42,101)	(112,485)	(120,513)
Net income attributed to the shareholders after zakat and income tax		364,005	356,282	1,030,490	1,120,309
Basic and diluted earnings per share (expressed in SR per share)	18	2.44	2.38	6.90	7.48


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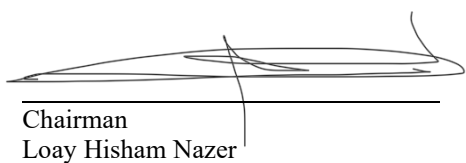
BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

For the three-month and nine-month periods ended 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Three-month period ended 30 September		Nine-month period ended 30 September	
	2025	2024	2025	2024
Net income attributed to the shareholders after zakat and income tax	364,005	356,282	1,030,490	1,120,309
Other comprehensive income / (loss)				
<i>A. Items that will not be reclassified to interim condensed consolidated statement of income in subsequent periods</i>				
Net changes in fair value of investments measured at FVOCI – equity instruments	14,299	15,018	(2,972)	10,168
<i>B. Items that are or may be reclassified to interim condensed consolidated statements of income in subsequent periods</i>				
Net changes in fair value of investments measured at FVOCI – debt instruments	63,879	141,850	123,198	58,179
Net changes in allowance for expected credit losses of investments measured at FVOCI – debt instruments	10	281	(16)	546
Total other comprehensive income	78,188	157,149	120,210	68,893
Total comprehensive income for the period	442,193	513,431	1,150,700	1,189,202



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BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine-month period ended 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Share capital	Statutory reserve	Share based payments reserve	Shares held under employees share scheme	Retained earnings	Re-measurement reserve for end-of-service benefits	Investments fair value reserve	Total equity
2025								
Balance at 31 December 2024 (audited)	1,500,000	1,500,000	48,634	(145,476)	2,306,706	(7,573)	(84,294)	5,117,997
Net income for the period attributed to the shareholders after zakat and income tax	-	-	-	-	1,030,490	-	-	1,030,490
Other comprehensive income	-	-	-	-	-	-	120,210	120,210
Total comprehensive income for the period	-	-	-	-	1,030,490	-	120,210	1,150,700
Transfer of realized fair value loss for FVOCI equity instruments to retained earnings	-	-	-	-	(131)	-	131	-
Provision for employees share scheme	-	-	31,528	-	-	-	-	31,528
Transactions with owners of the Group:								
Delivery of shares held under employees share scheme	-	-	(8,992)	8,992	-	-	-	-
Purchase of shares held under employees share scheme	-	-	-	(61,093)	-	-	-	(61,093)
Dividends (note 15)	-	-	-	-	(600,000)	-	-	(600,000)
Income tax refundable from non-Saudi shareholders	-	-	-	-	70,828	-	-	70,828
Balance at 30 September 2025 (unaudited)	1,500,000	1,500,000	71,170	(197,577)	2,807,893	(7,573)	36,047	5,709,960

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BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the nine-month period ended 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Share capital	Statutory reserve	Share based payments reserve	Shares held under employees share scheme	Retained earnings	Re-measurement reserve for end-of-service benefits	Investments fair value reserve	Total equity
2024								
Balance at 31 December 2023 (audited)	1,500,000	1,352,757	48,477	(65,115)	1,853,721	(13,698)	(613)	4,675,529
Net income for the period attributed to the shareholders after zakat and income tax	-	-	-	-	1,120,309	-	-	1,120,309
Other comprehensive income	-	-	-	-	-	-	68,893	68,893
Total comprehensive income for the period	-	-	-	-	1,120,309	-	68,893	1,189,202
Provision for employees share scheme	-	-	28,823	-	-	-	-	28,823
Transactions with owners of the Group:								
Delivery of shares held under employees share scheme	-	-	(36,726)	36,726	-	-	-	-
Purchase of shares held under employees share scheme	-	-	-	(117,087)	-	-	-	(117,087)
Dividends (note 15)	-	-	-	-	(600,000)	-	-	(600,000)
Income tax refundable from non-Saudi shareholders	-	-	-	-	35,129	-	-	35,129
Balance at 30 September 2024 (unaudited)	<u>1,500,000</u>	<u>1,352,757</u>	<u>40,574</u>	<u>(145,476)</u>	<u>2,409,159</u>	<u>(13,698)</u>	<u>68,280</u>	<u>5,211,596</u>

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BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

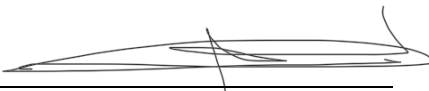
For the nine-month period ended 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	Nine-month period ended 30 September	
		2025	2024
Cash flows from operating activities			
Net income attributed to shareholders before zakat and income tax		1,177,770	1,302,315
Adjustments for non-cash items:			
Depreciation of fixtures, furniture and equipment		13,601	11,985
Amortisation of right-of-use assets		21,219	15,386
Amortisation of intangible assets		16,720	13,771
Loss on disposal of fixtures, furniture and equipment		68	3,171
Gain on termination of a lease		-	(10,474)
Provision for employees share scheme		31,528	28,823
Net impairment (reversal) / loss on financial assets		(158)	355
Commission and income on financial assets at amortized cost		(272,450)	(308,870)
Commission and income on financial assets at fair value		(285,444)	(206,052)
Provision for end-of-service benefits		36,880	30,079
Finance cost on leases		6,384	3,420
Changes in operating assets and liabilities:			
Insurance contract liabilities		163,111	574,437
Reinsurance contract assets		(44,867)	(49,108)
Investment carried at FVTPL		(724,027)	107,424
Prepaid expenses and other assets		(231,726)	(33,162)
Accrued and other liabilities		(72,338)	(23,635)
Due to related parties		61,608	28,680
		(102,121)	1,488,545
End-of-service benefits paid		(10,282)	(20,364)
Surplus paid to policyholders		(11,925)	(38,651)
Zakat and income tax paid		(199,120)	(90,638)
Net cash (used in) / generated from operating activities		(323,448)	1,338,892
Cash flows from investing activities			
Placement in term deposits	7	(500,000)	(2,294,848)
Proceeds from maturity of term deposits	7	1,326,774	3,603,451
Additions to investments carried at FVOCI	6	(999,274)	(2,065,240)
Additions to investments carried at amortised cost	6	(37,125)	(900,173)
Disposal of investments carried at FVOCI	6	779,629	532,829
Proceeds from maturity of amortised cost investments	6	3,044	-
Proceeds from commissions and dividends*		289,855	234,366
Additions to fixtures, furniture and equipment		(51,778)	(16,218)
Additions to intangible assets		(23,264)	(19,739)
Net cash generated from / (used in) investing activities		787,861	(925,572)
Cash flows from financing activities			
Dividends paid		(600,000)	(600,000)
Purchase of shares held under employees share scheme		(61,093)	(117,087)
Lease liability paid**		(18,786)	(15,900)
Net cash used in financing activities		(679,879)	(732,987)
Net change in cash and cash equivalents		(215,466)	(319,667)
Cash and cash equivalents at beginning of the period		925,190	1,255,896
Cash and cash equivalents at end of the period		709,724	936,229
Non-cash transactions			
Income tax refundable from non-Saudi shareholders		70,828	35,129

* This includes dividends amounting to SR 46.2 million (2024: SR 29.6 million)

** Lease liabilities paid includes finance cost of SR 6.3 million (2024: SR 3.4 million)


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The accompanying notes from 1 to 19 an integral part of these interim condensed consolidated financial statements.

BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Bupa Arabia for Cooperative Insurance Company (the “Company”) is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia as per the Ministry of Commerce’s resolution number 138/K dated 24 Rabi Thani 1429H (corresponding to 1 May 2008). The Commercial Registration number of the Company is 4030178881 dated 5 Jumad Awwal 1429H (corresponding to 11 May 2008). The Registered Office of the Company is situated at:

Al-Khaleidiyah District,
Prince Saud Al Faisal Street,
Front of Saudi Airlines Cargo Building,
P.O. Box 23807, Jeddah 21436,
Kingdom of Saudi Arabia.

The Company is licensed to conduct insurance business in the Kingdom of Saudi Arabia under cooperative principles in accordance with Royal Decree No. M/74 dated 29 Shabaaan 1428H (corresponding to 11 September 2007) pursuant to the Council of Ministers’ Resolution No 279 dated 28 Shabaaan 1428H (corresponding to 10 September 2007). The objective of the Company is to transact cooperative insurance operations and related activities in the Kingdom of Saudi Arabia in accordance with its bylaws, and applicable regulations in the Kingdom of Saudi Arabia. The Company underwrites medical insurance only.

The Board of Directors approves the distribution of the surplus from insurance operations in accordance with the Implementing Regulations issued by the Saudi Central Bank (“SAMA”), whereby the shareholders of the Company are to receive 90% of the annual surplus from insurance operations and the policyholders are to receive the remaining 10%. Any deficit arising on insurance operations is transferred to the shareholders’ operations in full. During the year ended 31 December 2023, the Insurance Authority has been established by a royal decree as the insurance regulator. Previously issued regulations by SAMA will be upheld until the Insurance Authority issues updated regulations. Therefore, the accrued income liability is payable to the Insurance Authority.

These interim condensed consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”).

On 9 September 2025 (corresponding to 17 Safar 1447H), the Group received non-objection from the Insurance Authority regarding its proposed restructuring of the Group’s structure. As part of this restructuring, the Group intends to demerge its insurance business into a newly established, wholly owned subsidiary. The proposed restructuring is subject to approval by the shareholders at the Extraordinary General Assembly and relevant regulatory authorities.

The Company has the following subsidiaries:

Name of the subsidiary	Registration number	Country of incorporation	Ownership	Principal business activity
Bupa Arabia For Third Party Administration	4030605585	Kingdom of Saudi Arabia	100%	Claims management services
Health Horizon Medical Care Company	4030512306	Kingdom of Saudi Arabia	100%	Healthcare services

2. BASIS OF PREPARATION

(a) Statement of compliance

The interim condensed consolidated financial statements of the Group have been prepared in accordance with ‘International Accounting Standard 34 - Interim Financial Reporting’ (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncement that are endorsed by Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

The interim condensed consolidated financial statements are prepared under the going concern basis and the historical cost convention, except for the measurement of investments at their fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI) and liabilities for defined benefit obligations [Employees’ end of service benefits (“EOSBs”)] recorded at the present value using the projected unit credit method. Moreover, the insurance and reinsurance contracts are measured at the estimated fulfilment cashflows that are expected to arise as the Group fulfils its contractual obligations in accordance with IFRS 17. The details relating to gross written premium under note 12 of these interim condensed consolidated financial statements are disclosed to comply with the requirements of Insurance Authority. The classification of gross written premium (amount of policy premium) is based on the number of lives covered in the policy as prescribed by regulation.

BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

At 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

2. BASIS OF PREPARATION (continued)

(a) Statement of compliance (continued)

The Group's interim condensed consolidated statement of financial position is not presented using a current/non-current classification and is presented in order of liquidity. Except for fixtures, furniture and equipment, right-of-use assets, intangible assets, goodwill, statutory deposit, deferred tax, accrued income on statutory deposit and accrued income payable to Insurance Authority, all other assets and liabilities are of short-term nature. Moreover, the balances which are mixed in nature i.e. include both current and non-current portions include insurance contract liabilities, lease liabilities, term deposits, financial assets at fair value, financial assets at amortized cost, reinsurance contract assets / liabilities and provision for end of service benefits.

The interim condensed consolidated financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual consolidated financial statements as of and for the year ended 31 December 2024. The risk management policies are consistent with those as disclosed in the annual consolidated financial statements for the year ended 31 December 2024 and there has been no material change in risk grading and credit quality of financial assets from 31 December 2024.

The interim condensed consolidated financial statements may not be considered indicative of the expected results for the full year.

These condensed consolidated interim financial statements are presented in Saudi Riyal (SR) which is the Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

(b) Critical accounting judgments, estimates and assumptions

The preparation of interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and the accompanying notes disclosures including disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

During the period ended 30 September 2025, the management has further disaggregated its unit of account for corporate group into a more granular profile and updated the cohort composition from annual to quarterly cohorts.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements as at and for the year ended 31 December 2024.

(c) Seasonality of operations

Due to the seasonality of operations, operating profits are expected to fluctuate from one period to another.

BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

At 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

3. MATERIAL ACCOUNTING POLICIES

The accounting policies, estimates (except for the change discussed in note 2b) and assumptions used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2024.

a) New IFRS Standards, IFRIC interpretations and amendments thereof, adopted by the Group

<u>Standards, amendments, interpretations</u>	<u>Description</u>	<u>Effective date</u>
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Amendments to IAS 21	Lack of exchangeability – Amendments to IAS 21	01 January 2025
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These amendments had no material impact on the interim condensed consolidated financial statements of the Group.

b) Accounting standards issued but not yet effective

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several standards, amendments and interpretations apply for the first time in 2026 or after, but are not expected to have a material impact on the interim consolidated financial statements of the Group.

<u>Standards, amendments, interpretations</u>	<u>Description</u>	<u>Effective from periods beginning on or after the following date</u>
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Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for optional adoption/effective date deferred indefinitely
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Amendments to IFRS 9 and IFRS 7	Classification and measurement of Financial Instruments- Amendments to IFRS 9 and IFRS 7	01 January 2026
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Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	01 January 2026
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Annual improvements to IFRS Accounting standards (Volume 11)	Minor amendments to address potential areas of confusion within the following standards (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7).	01 January 2026
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IFRS 18	Presentation and Disclosure in Financial Statements	01 January 2027
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IFRS 19	Subsidiaries without Public Accountability: Disclosures	01 January 2027
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BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

At 30 September 2025

(All amounts in Saudi Riyals thousands unless otherwise stated)

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Bank balances	709,880	925,394
Less: Impairment allowance	(156)	(204)
	709,724	925,190

5. INSURANCE AND REINSURANCE CONTRACTS

	Note	30 September 2025 (unaudited)	31 December 2024 (audited)
<u>Insurance contract liabilities</u>			
Corporate	5.1 a	7,757,214	7,605,514
SMEs and others	5.1 b	1,398,785	1,399,299
		9,155,999	9,004,813
<u>Reinsurance contract assets</u>			
	5.2	143,045	98,178

5.1 Analysis by remaining coverage and incurred claims for insurance contracts

a. Corporate

	Period ended 30 September 2025 (unaudited)				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		
	Excluding loss component	Loss component	Estimate of present value of future cash flows	RA for non-financial risk	Total
Insurance contracts issued:					
Opening insurance contract liabilities	3,612,356	-	3,847,664	145,494	7,605,514
Insurance revenue	(12,362,096)	-	-	-	(12,362,096)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	-	11,603,291	133,093	11,736,384
Losses and reversals on onerous contracts	-	252,953	-	-	252,953
Changes that relate to past service - adjustments to the LIC	-	-	(787,150)	(124,454)	(911,604)
Insurance acquisition cash flows amortization	604,780	-	-	-	604,780
Insurance service expenses	604,780	252,953	10,816,141	8,639	11,682,513
Insurance service result	(11,757,316)	252,953	10,816,141	8,639	(679,583)
Cash flows					
Premiums received	12,286,746	-	-	-	12,286,746
Claims and other directly attributable expenses paid	-	-	(10,841,965)	-	(10,841,965)
Insurance acquisition cash flows paid	(613,498)	-	-	-	(613,498)
Total cash flows	11,673,248	-	(10,841,965)	-	831,283
Closing insurance contract liabilities	3,528,288	252,953	3,821,840	154,133	7,757,214

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5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.1 Analysis by remaining coverage and incurred claims for insurance contracts (continued)

b. SMEs and others

	Period ended 30 September 2025 (unaudited)				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		Total
	Excluding loss component	Loss component	Estimate of present value of future cash flows	RA for non-financial risk	
Insurance contracts issued:					
Opening insurance contract liabilities	843,142	-	539,158	16,999	1,399,299
Insurance revenue	(1,807,519)	-	-	-	(1,807,519)
Insurance service expenses					
Incurring claims and other directly attributable expenses	-	-	1,549,922	16,732	1,566,654
Losses and reversals on onerous contracts	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	(92,615)	(14,585)	(107,200)
Insurance acquisition cash flows amortization	111,636	-	-	-	111,636
Insurance service expenses	111,636	-	1,457,307	2,147	1,571,090
Insurance service result	(1,695,883)	-	1,457,307	2,147	(236,429)
Cash flows					
Premiums received	1,790,144	-	-	-	1,790,144
Claims and other directly attributable expenses paid	-	-	(1,450,157)	-	(1,450,157)
Insurance acquisition cash flows paid	(104,072)	-	-	-	(104,072)
Total cash flows	1,686,072	-	(1,450,157)	-	235,915
Closing insurance contract liabilities	833,331	-	546,308	19,146	1,398,785

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5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.1 Analysis by remaining coverage and incurred claims for insurance contracts (continued)

a. Corporate

	Year ended 31 December 2024 (audited)				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		Total
	Excluding loss component	Loss component	Estimate of present value of future cash flows	RA for non-financial risk	
Insurance contracts issued:					
Opening insurance contract liabilities	3,793,448	-	3,182,948	120,624	7,097,020
Insurance revenue	(15,943,690)	-	-	-	(15,943,690)
Insurance service expenses					
Incurring claims and other directly attributable expenses	-	-	14,773,295	132,939	14,906,234
Losses and reversals on onerous contracts	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	(378,898)	(108,069)	(486,967)
Insurance acquisition cash flows amortization	779,745	-	-	-	779,745
Insurance service expenses	779,745	-	14,394,397	24,870	15,199,012
Insurance service result	(15,163,945)	-	14,394,397	24,870	(744,678)
Cash flows					
Premiums received	15,673,496	-	-	-	15,673,496
Claims and other directly attributable expenses paid	-	-	(13,729,681)	-	(13,729,681)
Insurance acquisition cash flows paid	(690,643)	-	-	-	(690,643)
Total cash flows	14,982,853	-	(13,729,681)	-	1,253,172
Closing insurance contract liabilities	3,612,356	-	3,847,664	145,494	7,605,514

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5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.1 Analysis by remaining coverage and incurred claims for insurance contracts (continued)

b. SMEs and others

	Year ended 31 December 2024 (audited)				
	Liability for remaining coverage (LRC)		Liability for incurred claims (LIC)		Total
	Excluding loss component	Loss component	Estimate of present value of future cash flows	RA for non-financial risk	
Insurance contracts issued:					
Opening insurance contract liabilities	718,782	-	437,251	14,143	1,170,176
Insurance revenue	(2,157,827)	-	-	-	(2,157,827)
Insurance service expenses					
Incurring claims and other directly attributable expenses	-	-	1,752,445	15,566	1,768,011
Losses and reversals on onerous contracts	-	-	-	-	-
Changes that relate to past service - adjustments to the LIC	-	-	(52,562)	(12,710)	(65,272)
Insurance acquisition cash flows amortization	131,709	-	-	-	131,709
Insurance service expenses	131,709	-	1,699,883	2,856	1,834,448
Insurance service result	(2,026,118)	-	1,699,883	2,856	(323,379)
Cash flows					
Premiums received	2,253,851	-	-	-	2,253,851
Claims and other directly attributable expenses paid	-	-	(1,597,976)	-	(1,597,976)
Insurance acquisition cash flows paid	(103,373)	-	-	-	(103,373)
Total cash flows	2,150,478	-	(1,597,976)	-	552,502
Closing insurance contract liabilities	843,142	-	539,158	16,999	1,399,299

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5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.2 Analysis by remaining coverage and incurred claims for reinsurance contracts

	Period ended 30 September 2025 (unaudited)				
	Asset for remaining coverage		Asset for incurred claims		Total
	Excluding loss component	Loss component recovery	Estimate of present value of future cash flows	RA for non-financial risk	
Reinsurance contracts held:					
Opening reinsurance contract assets	(41,276)	-	(54,504)	(2,398)	(98,178)
Reinsurance expense	214,517	-	-	-	214,517
Claims recovered and other directly attributable expenses	-	-	(231,464)	(2,490)	(233,954)
Changes that relate to past service - adjustments to the asset for incurred claims	-	-	44,583	1,929	46,512
Net expense from reinsurance contracts held	214,517	-	(186,881)	(561)	27,075
Cash flows					
Premiums ceded	(250,698)	-	-	-	(250,698)
Recoveries from reinsurance	-	-	178,756	-	178,756
Total cash flows	(250,698)	-	178,756	-	(71,942)
Closing reinsurance contract assets	(77,457)	-	(62,629)	(2,959)	(143,045)

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5. INSURANCE AND REINSURANCE CONTRACTS (continued)

5.2 Analysis by remaining coverage and incurred claims for reinsurance contracts (continued)

	Year ended 31 December 2024 (audited)				
	Asset for remaining coverage		Asset for incurred claims		
	Excluding loss component	Loss component recovery	Estimate of present value of future cash flows	RA for non-financial risk	Total
Reinsurance contracts held:					
Opening reinsurance contract assets	(21,385)	-	(50,484)	(2,221)	(74,090)
Reinsurance expense	234,981	-	-	-	234,981
Claims recovered and other directly attributable expenses	-	-	(212,703)	(2,282)	(214,985)
Changes that relate to past service - adjustments to the asset for incurred claims	-	-	47,860	2,105	49,965
Net expense from reinsurance contracts held	234,981	-	(164,843)	(177)	69,961
Cash flows					
Premiums ceded	(254,872)	-	-	-	(254,872)
Recoveries from reinsurance	-	-	160,823	-	160,823
Total cash flows	(254,872)	-	160,823	-	(94,049)
Closing reinsurance contract assets	(41,276)	-	(54,504)	(2,398)	(98,178)

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6. INVESTMENTS

	30 September 2025 (unaudited)	31 December 2024 (audited)
Financial assets at amortized cost - net	930,791	935,811
Financial assets at fair value	7,728,485	6,586,463
	8,659,276	7,522,274

Details of investments classified as financial assets at fair value are as follows:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Investments at FVTPL	1,190,410	449,181
Investments at FVOCI – Debt	4,502,939	4,562,442
Investments at FVOCI – Equity	2,035,136	1,574,840
	7,728,485	6,586,463

(i) Investments measured at amortized cost – net comprise of the following:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Sukuks	931,011	936,031
Less: Impairment allowance on investments at amortized cost	(220)	(220)
	930,791	935,811

(ii) Investments measured at FVTPL comprise of the following:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Funds	1,175,980	439,953
Equity	14,430	9,228
	1,190,410	449,181

(iii) Investments measured at FVOCI – Debt comprise of the following:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Sukuks	4,502,939	4,562,442

(iv) Investments measured at FVOCI – Equity comprise of the following:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Equity	-	59,498
Sukuks	1,811,737	1,402,981
Investments in discretionary portfolios	223,399	112,361
	2,035,136	1,574,840

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6. INVESTMENTS (continued)

The movements in the investments balance, excluding loss allowance, are as follows:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Balance at the beginning of the period / year	7,522,494	4,834,278
Purchased during the period / year	2,509,344	3,554,799
Disposed during the period / year	(1,531,591)	(790,207)
Unrealized gains during the period / year, net	150,589	(88,686)
Accrued interest	8,660	12,310
	8,659,496	7,522,494

Movement in loss allowance for investments at amortized cost for the period is as follows:

	30 September 2025 (unaudited)			
	Stage 1 12-month ECL	Stage 2 ECL not Credit impaired	Stage 3 Lifetime ECL credit impaired	Total
Balance at the beginning of the period	(220)	-	-	(220)
Charge for the period	-	-	-	-
Balance at the ending of the period	(220)	-	-	(220)

	31 December 2024 (audited)			
	Stage 1 12-month ECL	Stage 2 ECL not Credit impaired	Stage 3 Lifetime ECL credit impaired	Total
Balance at the beginning of the year	(161)	-	-	(161)
Charge for the year	(59)	-	-	(59)
Balance at the ending of the year	(220)	-	-	(220)

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7. TERM DEPOSITS

The term deposits are held with reputable commercial banks and financial institutions. These deposits are predominately in Murabaha structure with a small allocation in Mudaraba structure. They are mostly denominated in Saudi Arabian Riyals and have an original maturity from more than three-months to more than one year and yield financial income at rates ranging from 2.20% to 6.20% per annum (2024: 2.20% to 6.40% per annum). The movements in term deposits during the period ended 30 September 2025 is as follows:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Balance at the beginning of the period before loss allowance	6,041,965	7,224,972
Placed during the period / year	500,000	2,794,848
Matured during the period / year	(1,326,774)	(4,317,551)
Commission income earned during the period / year	229,017	339,696
Loss allowance	(1,282)	(1,423)
	5,442,926	6,040,542

Movement in loss allowance for term deposits for the period is as follows:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Balance at the beginning of the period / year	(1,423)	(1,961)
Reversal made during the period / year	141	538
Balance at end of the period / year	(1,282)	(1,423)

8. STATUTORY DEPOSIT

As required by Insurance Regulations, the Group deposited an amount equivalent to 10% of its paid-up share capital, amounting to SR 150 million, in a bank designated by regulator. Accrued income on this deposit is payable to Insurance Authority amounting to SR 4.97 million (31 December 2024: SR 4.38 million) and this deposit cannot be withdrawn without approval from Insurance Authority. The statutory deposit is shown on the statement of financial position net of impairment allowance.

9. FIDUCIARY ASSETS

During the year ended 31 December 2018, after obtaining SAMA's approvals, the Group entered into a Third-Party Administration agreement (TPA) with a customer under which the Group facilitates healthcare services to Customer's employees with specific terms and conditions. The agreement is effective from 1 March 2018. The services are remunerated against administration fees.

In order to fulfil the commitment relating to this agreement, the Group receives funds in advance from the customer to settle anticipated claims from medical service providers. As the Group acts as an agent, the relevant bank balance and related payables at the reporting date, are excluded from the condensed interim consolidated statement of financial position. The assets and liabilities held in fiduciary capacity amounted to SR 233 million as of 30 September 2025 (31 December 2024: SR 224 million).

10. COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies are as follows:

- i) There was no material change in the status of legal proceedings as of 30 September 2025 since the last annual consolidated audited financial statements.
- ii) As of 30 September 2025, total letters of guarantee issued by banks amounted to SR 283 million (31 December 2024: SR 261 million).
- iii) Refer to Note 14 for zakat and income tax related matters.

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11. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction takes place either:

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

a) Determination of fair value and fair value hierarchy

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

Level 1: quoted prices in active markets for the same or identical instrument that an entity can access at the measurement date.

Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data; and

Level 3: valuation techniques for which any significant input is not based on observable market data.

b) Carrying amounts and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value (financial assets and liabilities at amortized cost) as the carrying amount is a reasonable approximation to fair value (except for certain term deposits and sukuks at amortized cost for which the difference between carrying amount and the fair value is not material to the interim condensed consolidated financial statements), as these are either short-term in nature or carry interest rates which are based on prevalent market interest rates

	Fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
30 September 2025 (unaudited)					
Financial assets measured at fair value:					
- Investment at FVTPL	18,573	1,108,976	62,861	1,190,410	1,190,410
- Investment at FVOCI – Debt	4,452,939	50,000	-	4,502,939	4,502,939
- Investment at FVOCI – Equity*	1,337,290	697,846	-	2,035,136	2,035,136
	<u>5,808,802</u>	<u>1,856,822</u>	<u>62,861</u>	<u>7,728,485</u>	<u>7,728,485</u>
	Fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
31 December 2024 (audited)					
Financial assets measured at fair value:					
- Investment at FVTPL	12,365	372,446	64,370	449,181	449,181
- Investment at FVOCI – Debt	4,412,442	150,000	-	4,562,442	4,562,442
- Investment at FVOCI – Equity*	926,822	648,018	-	1,574,840	1,574,840
	<u>5,351,629</u>	<u>1,170,464</u>	<u>64,370</u>	<u>6,586,463</u>	<u>6,586,463</u>

*These include Tier-1 sukuks classified under equity due to the perpetual nature of the assets and discretion of profit distribution with the issuer.

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11. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

c) Measurement of fair value

Valuation technique and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair value at 30 September 2025 and 31 December 2024, as well as the significant unobservable inputs used. The fair value used for valuation of Level 2 Sukuks and mutual funds are based on prices quoted on reliable third-party sources.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual funds	Mutual funds classified as Level 3 are fair valued based on the latest available NAV communicated by the fund manager.	Fair value of underlying assets	The estimated fair value will increase / decrease directly in line with the change in fair value of underlying assets.

Sensitivity analysis:

The impact of change in net assets value reported in level 3 on net income and total equity is as follows:

	30 September 2025 (unaudited)	31 December 2024 (audited)
+/- 5% change in net assets value	+/- 3,143	+/- 3,219

12. OPERATING SEGMENTS

The Group only issues short-term insurance contracts for providing health care services ('medical insurance'). The Group operates as a mono-line insurer, operating in the Private Medical Insurance (PMI) business. All the insurance operations of the Group are carried out in the Kingdom of Saudi Arabia. For management reporting purposes, the operations are monitored in two groups that are Corporate, Small and Medium Enterprises & Others (SMEs & Others). Corporate segment/customer represents members of large corporations, and all others are considered as SMEs & Others. Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing the performance of operating segments in line with the strategic decisions.

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12. OPERATING SEGMENTS (continued)

Operating segments do not include shareholders' operations of the Group. Segment results do not include investment, other operating expenses, other revenues and other costs. Segment assets and liabilities only include the insurance and reinsurance contract liabilities and assets while the other accounts are not allocated. Consistent with the Group's internal reporting, operating segments have been approved by the management in respect of the Group's activities, assets and liabilities as stated below:

	30 September 2025 (unaudited)		
	Corporate	SMEs & Others	Total
Operating segments			
<u>Assets</u>			
Asset for incurred claims	65,588	-	65,588
Asset for remaining coverage	77,457	-	77,457
Reinsurance contract assets	143,045	-	143,045
Unallocated assets			16,189,824
Total assets			16,332,869
<u>Liabilities</u>			
Liability for incurred claims	3,975,973	565,454	4,541,427
Liability for remaining coverage	3,781,241	833,331	4,614,572
Insurance contract liabilities	7,757,214	1,398,785	9,155,999
Unallocated liabilities			1,466,910
Total liabilities			10,622,909
	31 December 2024 (audited)		
	Corporate	SMEs & Others	Total
Operating segments			
<u>Assets</u>			
Asset for incurred claims	56,902	-	56,902
Asset for remaining coverage	41,276	-	41,276
Reinsurance contract assets	98,178	-	98,178
Unallocated assets			15,476,902
Total assets			15,575,080
<u>Liabilities</u>			
Liability for incurred claims	3,993,158	556,157	4,549,315
Liability for remaining coverage	3,612,356	843,142	4,455,498
Insurance contract liabilities	7,605,514	1,399,299	9,004,813
Unallocated liabilities			1,452,270
Total liabilities			10,457,083

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12. OPERATING SEGMENTS (continued)

	Three-month period ended 30 September 2025 (unaudited)			Three-month period ended 30 September 2024 (unaudited)		
	Corporate	SMEs & Others	Total	Corporate	SMEs & Others	Total
Insurance revenue	4,421,540	622,594	5,044,134	4,003,909	548,286	4,552,195
Insurance service expense	(4,167,445)	(581,600)	(4,749,045)	(3,728,712)	(464,787)	(4,193,499)
Net income / (expenses) from reinsurance contracts held	13,584	-	13,584	(14,911)	-	(14,911)
Net insurance service result	267,679	40,994	308,673	260,286	83,499	343,785
Commission and income on financial assets at amortized cost			90,314			100,119
Commission and income on financial assets at fair value			96,672			73,656
Net impairment reversal / (loss) on financial assets			326			(88)
Net investment return			187,312			173,687
Net insurance and investment results			495,985			517,472
Other operating expenses			(108,013)			(109,387)
Other revenue			26,140			22,438
Other cost			(11,869)			(9,137)
Income attributed to the shareholders before zakat and income tax			402,243			421,386
Zakat reversal / (charge)			1,334			(23,003)
Income tax charge			(39,572)			(42,101)
Net income attributed to the shareholders after zakat and income tax			364,005			356,282

The details of gross written premium are as follows:

	Three-month period ended 30 September 2025 (unaudited)	Three-month period ended 30 September 2024 (unaudited)
Corporates	3,668,250	3,256,994
Medium enterprises	612,115	607,295
Small enterprises	300,453	268,598
Micro enterprises	50,031	41,406
Individuals	8,257	7,156
	4,639,106	4,181,449

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12. OPERATING SEGMENTS (continued)

	Nine-month period ended 30 September 2025 (unaudited)			Nine-month period ended 30 September 2024 (unaudited)		
	Corporate	SMEs & Others	Total	Corporate	SMEs & Others	Total
Insurance revenue	12,362,096	1,807,519	14,169,615	11,905,668	1,582,999	13,488,667
Insurance service expense	(11,682,513)	(1,571,090)	(13,253,603)	(11,073,836)	(1,327,072)	(12,400,908)
Net expenses from reinsurance contracts held	(27,075)	-	(27,075)	(45,046)	-	(45,046)
Net insurance service result	652,508	236,429	888,937	786,786	255,927	1,042,713
Commission and income on financial assets at amortized cost			272,450			308,870
Commission and income on financial assets at fair value			285,444			206,052
Net impairment reversal / (loss) on financial assets			206			(234)
Net investment return			558,100			514,688
Net insurance and investment results			1,447,037			1,557,401
Other operating expenses			(309,755)			(293,487)
Other revenue			72,139			67,743
Other cost			(31,651)			(29,342)
Income attributed to the shareholders before zakat and income tax			1,177,770			1,302,315
Zakat charge			(34,795)			(61,493)
Income tax charge			(112,485)			(120,513)
Net income attributed to the shareholders after zakat and income tax			1,030,490			1,120,309

The details of gross written premium are as follows:

	Nine-month period ended 30 September 2025 (unaudited)	Nine-month period ended 30 September 2024 (unaudited)
Corporates	12,755,841	11,664,813
Medium enterprises	2,735,248	2,350,690
Small enterprises	1,020,211	881,210
Micro enterprises	137,428	119,885
Individuals	25,125	30,995
	16,673,853	15,047,593

Insurance revenue of SR 14.2 billion (30 September 2024: SR 13.5 billion) from corporate and SME & Others is calculated through adjustment of SR 2.5 billion (30 September 2024: SR 1.5 billion) to corporate and SME & Others accounting for the remaining coverage period and the expected premium receipts which reconcile to the gross written premium of SR 16.7 billion (30 September 2024: SR 15.0 billion). Refer to note 2(a) for more details.

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13. RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent major shareholders, Board members and key management personnel of the Group, and companies of which they are principal owners, and any other entities controlled, jointly controlled or significantly influenced by them. Contract pricing policies and terms are approved by the Group's management or where required and applicable, by the Group's Board of Directors. The due from and due to balances of related parties are unsecured, interest free and repayable in cash on demand. Key management personnel are those persons, including executive directors, having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The following are the details of the major related party transactions during the period and their related balances:

Related party	Nature of transaction	Amount of transactions during the period ended		Receivable/(payable) balance as at	
		income / (expense)		balance as at	
		30 September 2025 (unaudited)	30 September 2024 (unaudited)	30 September 2025 (unaudited)	31 December 2024 (audited)
Balances included in insurance contract liabilities					
Shareholders and entities with common directorship*	Premium issued	392,403	425,582	7,017	806
Shareholders and entities with common directorship*	Claims incurred	(301,450)	(382,594)	(45,217)	(69,755)
Shareholder*	Medical costs charged by providers	(257,007)	(268,116)	(27,640)	(42,189)
				(65,840)	(111,138)
Balances included in reinsurance contract assets					
Shareholders	Reinsurance Premium ceded	(211,352)	(194,682)	(37,028)	(76,375)
Balances included in due (to)/from Related Parties					
Shareholders	Expenses recharged (to) / from a related party-net	399	(1,343)	(1,377)	(1,066)
Shareholders	Tax equalization	70,828	35,129	-	-
Shareholders	Board and committee members fees	(1,428)	(923)	(1,427)	(1,365)
Bupa Middle East Holdings Two W.L.L. (Common directorship)*	Trademark fee	(34,920)	(33,177)	(34,920)	(44,513)
				(37,724)	(46,944)

*The transactions and balances against the entities with common directorship, common key management personnel and major shareholder have been presented in accordance with the local laws and regulations.

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13. RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

The remuneration of the key management personnel during the period ended 30 September is as follows:

	30 September 2025 (unaudited)	30 September 2024 (unaudited)
Short-term benefits	23,200	20,654
Long-term benefits	1,020	2,038
Share based payment transactions	23,694	20,827
	<u>47,914</u>	<u>43,519</u>

Short-term benefits include salaries, allowances, annual bonuses and incentives whilst long-term benefits include employees' end of service benefits.

14. ZAKAT AND INCOME TAX

Breakup of zakat and income tax charge for the nine-month periods ended 30 September 2025 and 2024 are as follows:

	Nine-month period ended 30 September 2025 (unaudited)	Nine-month period ended 30 September 2024 (unaudited)
Current zakat charge	34,795	61,493
Current tax charge	115,202	118,342
Deferred tax charge (note 14.a)	(2,717)	2,171
	<u>112,485</u>	<u>120,513</u>
	<u>147,280</u>	<u>182,006</u>

a) The reconciliation of deferred tax assets is as follows:

	30 September 2025 (unaudited)	31 December 2024 (audited)
Opening deferred tax asset	33,570	38,609
Deferred tax income / (charge)	2,717	(5,039)
	<u>36,287</u>	<u>33,570</u>

b) Movements in the Zakat and income tax accrued during the period ended 30 September 2025 and year ended 31 December 2024 respectively are as follows:

	Zakat payable	Income tax Payable	Total 30 September 2025 (unaudited)	Total 31 December 2024 (audited)
Balance at beginning of the period/year	356,249	56,610	412,859	358,589
Provided during the period/year	68,375	115,202	183,577	207,088
Adjustment for prior years	(33,580)	-	(33,580)	(5,503)
Payments during the period / year	(83,131)	(115,989)	(199,120)	(147,315)
Balance at end of the period / year	<u>307,913</u>	<u>55,823</u>	<u>363,736</u>	<u>412,859</u>

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14. ZAKAT AND INCOME TAX (continued)

c) Status of assessments

Bupa Arabia For Cooperative Insurance Company

The Company has filed its zakat and income tax returns with the ZATCA for the financial years up to and including 2024.

The Company has finalized its zakat and income tax returns with ZATCA for the fiscal years 2008 through 2020.

For the year 2017, the Company settled the assessment during the year ended 31 December 2024 resulting in reversal of provision amounting to SR 5.5 million.

The Company settled the assessments for the year 2019 & 2020 during the quarter ended 30 September 2025, resulting in a reversal of provision amounting to SR 33.5 million.

The Company has yet to receive the final assessments for the years ended December 31, 2021, 2022, 2023 and 2024.

Bupa Arabia For Third Party Administration

The Company has filed its zakat and income tax returns for the financial years up to and including the year 2024 with ZATCA. The return for the years are still under ZATCA's review.

Health Horizon Medical Care Company

The Company has filed its zakat and income tax returns for the financial years up to and including the year 2024 with ZATCA. The return for the years are still under ZATCA's review.

15. SHARE CAPITAL

The authorised, issued and paid-up capital of the Group is SR 1,500 million At 30 September 2025 (31 December 2024: SR 1,500 million) consisting of 150 million shares (31 December 2024: 150 million shares) of SR 10 each. Shareholding structure of the Group is as below:

	30 September 2025 (unaudited)		31 December 2024 (audited)	
	Holding percentage	Amount	Holding percentage	Amount
Major shareholders	48.3%	723,825	48.3%	723,825
General Public	51.7%	776,175	51.7%	776,175
	100%	1,500,000	100%	1,500,000

The total shareholders' equity as of 30 September 2025 for Saudi shareholders is SR 3,293 million (31 December 2024: SR 2,964 million) and foreign shareholder is SR 2,369 million (31 December 2024: SR 2,188 million) after incorporating their respective shareholding percentage and impact of zakat, income tax, reimbursement and other adjustments.

On 22 May 2025, the Board of Directors of the Company recommended dividend amounting to SR 600 million at SR 4 per share for the year ended 31 December 2024 (SR 600 million at SR 4 per share for the year ended 31 December 2023). The dividends declared relating to the shares held under employees share option scheme amounted to SR 2,659 thousands (2024: SR 828 thousands). The dividends were approved by the shareholders in the Extraordinary General Assembly meeting held on 30 June 2025 and paid in July 2025.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

At 30 September 2025

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16. STATUTORY RESERVE

As required by the Insurance Regulations, 20% of the shareholders' income shall be set aside as a statutory reserve until this reserve amounts to 100% of the paid-up share capital. The Group carries out this transfer on an annual basis on 31 December. As at 30 September 2025, 1,500 million (31 December 2024: SR 1,500 million) had been set aside as a statutory reserve, representing 100% (31 December 2024: 100%) of the paid-up share capital.

17. RISK MANAGEMENT AND CAPITAL MANAGEMENT

Risk is inherent in the Group's activities but is managed through a process of on-going identification, measurement, and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability, and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group's policy is to monitor business risk through strategic planning process. The strategy considers the impact of market conditions and available expertise on inherent risks to which the Group is exposed. The Group is exposed to insurance, reinsurance, regulatory framework, credit, liquidity, foreign currency, commission rate, and market risk. The risk is managed through a comprehensive risk management structure comprising of the Board, senior management, audit committee, risk committee and internal audit.

Capital management

Objectives are set by the Board of Directors of the Group to maintain healthy capital ratios to support its business objectives and maximise shareholders' value.

The Group's regulatory capital is financed solely by share capital provided by shareholders amounting to SR 1,500 million.

The Group manages its capital requirements by assessing shortfalls between reported and required capital levels on a regular basis. Adjustments to current capital levels are made in light of changes in market conditions and the risk characteristics of the Group's activities. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue shares.

As per guidelines laid out by Insurance Authority in Article 66 of the Implementing Regulations of the Cooperative Insurance Companies Control Law detailing the solvency margin required to be maintained, the Company shall maintain solvency margin equivalent to the highest of the following three methods as per Insurance Authority Implementing Regulations:

- a) Minimum Capital Requirement.
- b) Premium Solvency Margin.
- c) Claims Solvency Margin

The Group has complied with above requirement at each reporting date presented.

18. EARNINGS PER SHARE

The basic earnings per share have been calculated by dividing 'net income attributed to the shareholders after zakat and income tax' amounting to SR 1,030,490 thousand (30 September 2024: SR 1,120,309 thousand) for the period by the weighted average number of ordinary shares issued and outstanding amounting to 150 million shares (30 September 2024: 150 million shares) adjusted for treasury shares amounting to 1,048 thousand (30 September 2024: 516 thousand shares) at period end.

The diluted earnings per share have been calculated by dividing 'net income attributed to the shareholders after zakat and income tax' amounting to SR 1,030,490 thousand (30 September 2024: SR 1,120,309 thousand) for the period by the weighted average number of ordinary shares issued and outstanding amounting to 150 million shares (30 September 2024: 150 million shares) adjusted for the effects of employee shares scheme.

19. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements have been approved by the Board of Directors, on 28 October 2025.