Arab Insurance Group (B.S.C.)

Condensed consolidated interim financial statements for the three months ended 31 March 2026

Arab Insurance Group (B.S.C.)

Condensed consolidated interim financial statements
for the three months ended 31 March 2026

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Independent auditors' report on review of condensed consolidated interim financial information

To the Board of Directors
Arab Insurance Group (B.S.C)
Manama
Kingdom of Bahrain

Introduction

We have reviewed the accompanying 31 March 2026 condensed consolidated interim financial statements of Arab Insurance Group (B.S.C) (the "Company") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 31 March 2026;
- the condensed consolidated statement of profit or loss for the three-month period ended 31 March 2026;
- the condensed consolidated statement of comprehensive income for the three-month period ended 31 March 2026;
- the condensed consolidated statement of changes in equity for the three-month period ended 31 March 2026;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2026; and
- notes to the condensed consolidated interim financial statements.

The Board of Directors of the Company is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed (consolidated) interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements 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 31 March 2026 condensed consolidated interim financial statements is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG

14 May 2026

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

(In thousands of U.S. Dollars)

	Note	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2025 (reviewed)
ASSETS				
Cash and bank balances	4	**40,799**	41,334	60,824
Investments	5	**288,580**	297,243	304,127
Accrued interest		**2,657**	2,499	3,046
Reinsurance contract assets	6	**7,619**	8,196	7,284
Other assets	7	**1,248**	1,204	1,497
Property and equipment	8	**4,695**	4,682	4,779
TOTAL ASSETS		**345,598**	355,158	381,557
LIABILITIES AND EQUITY				
LIABILITIES				
Insurance contract liabilities	9	**70,728**	74,220	79,612
Reinsurance contract liabilities	6	**4,203**	4,122	3,605
Other liabilities	12	**1,443**	1,507	27,369
TOTAL LIABILITIES		**76,374**	79,849	110,586
EQUITY				
Attributable to shareholders of parent company				
Share capital		**220,000**	220,000	220,000
Treasury stock		**(14,793)**	(14,793)	(14,793)
Reserves		**51,811**	54,178	51,736
Retained earnings		**4,691**	8,337	6,334
		261,709	267,722	263,277
Non-controlling interests		**7,515**	7,587	7,694
TOTAL EQUITY		**269,224**	275,309	270,971
TOTAL LIABILITIES AND EQUITY		**345,598**	355,158	381,557

These condensed consolidated interim financial statements were approved by the Board of Directors on 14 May 2026 and signed on its behalf by:

Mansour Shams Alkhoori	Abdulla Nooruddin Abdulla	Samuel Verghese
Chairman	Director	Acting Chief Executive Officer

The accompanying notes 1 to 30 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

(In thousands of U.S. Dollars)

	Note	**For the financial year -to-date 31 March 2026 (reviewed)**	For the financial year -to-date 31 March 2025 (reviewed)	For the year ended 31 December 2025 (audited)
Insurance revenue	13	**(192)**	318	1,017
Insurance service expenses	14	**1,314**	(52)	(4,491)
Net expense from reinsurance contracts held	15	**(1,034)**	(413)	(1,189)
Insurance service result		**88**	(147)	(4,663)
Investment income	17	**2,915**	3,195	12,263
Insurance finance expenses	18	**(455)**	(1,104)	(4,256)
Reinsurance finance income	19	**48**	107	410
Financial insurance result		**2,508**	2,198	8,417
Other expenses and provisions	20	**(112)**	(588)	(1,236)
Other income	21	**192**	117	1,173
Profit for the period		**2,676**	1,580	3,691
Attributable to:				
Non-controlling interests		**(75)**	(68)	(222)
Shareholders of parent company		**2,751**	1,648	3,913
		2,676	1,580	3,691
Earnings per share attributable to shareholders (basic and diluted):	22 (US cents)	**1.4**	0.8	2.0

Mansour Shams Alkhoori
Chairman

Abdulla Nooruddin Abdulla
Director

Samuel Verghese
Acting Chief Executive Officer

The accompanying notes 1 to 30 are an integral part of
these condensed consolidated interim financial statements

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2026

(In thousands of U.S. Dollars)

	Note	**For the financial year-to-date 31 March 2026 (reviewed)**	For the financial year-to-date 31 March 2025 (reviewed)	For the year ended 31 December 2025 (audited)
Profit for the period		**2,676**	1,580	3,691
Other comprehensive income				
Items that will be reclassified to profit or loss:				
Fair value changes on investment at fair value through other comprehensive income		**(2,140)**	3,433	5,794
Transfers for recognition of (gains) losses on disposal of debt investments at fair value through other comprehensive income	17	**(182)**	23	(111)
Items that will not be reclassified to profit or loss:				
Revaluation of property		**-**	213	213
Other comprehensive income for the period		**(2,322)**	3,669	5,896
Total comprehensive income for the period		**354**	5,249	9,587
Attributable to:				
Non-controlling interests		**(72)**	(28)	(135)
Shareholders of parent company		**426**	5,277	9,722
		354	5,249	9,587

Mansour Shams Alkhoori
Chairman

Abdulla Nooruddin Abdulla
Director

Samuel Verghese
Acting Chief Executive Officer

The accompanying notes 1 to 30 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2026

(In thousands of U.S. Dollars)

31 March 2026	Share Capital	Treasury Stock	Reserves				Retained earnings	Attributable to shareholders of parent company	Non-controlling interests	Total equity (reviewed)
			Legal	Investment revaluation	Property revaluation	Total				
Balances at 31 December 2025	**220,000**	**(14,793)**	**47,683**	**4,097**	**2,398**	**54,178**	**8,337**	**267,722**	**7,587**	**275,309**
Profit (loss) for the period	-	-	-	-	-	-	2,751	2,751	(75)	2,676
Fair value changes on investment at fair value through other comprehensive income	-	-	-	(2,143)	-	(2,143)	-	(2,143)	3	(2,140)
Transfers for recognition of gains on disposal of debt investments at fair value through other comprehensive income	-	-	-	(182)	-	(182)	-	(182)	-	(182)
Total comprehensive income for the period	-	-	-	(2,325)	-	(2,325)	2,751	426	(72)	354
Dividends paid	-	-	-	-	-	-	(6,439)	(6,439)	-	(6,439)
Transfer of net depreciation on revalued property	-	-	-	-	(42)	(42)	42	-	-	-
Balances at 31 March 2026	**220,000**	**(14,793)**	**47,683**	**1,772**	**2,356**	**51,811**	**4,691**	**261,709**	**7,515**	**269,224**

The accompanying notes 1 to 30 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

(In thousands of U.S. Dollars)

31 December 2025	Share Capital	Treasury Stock	Reserves				Retained earnings	Attributable to shareholders of parent company	Non-controlling interests	Total equity
			Legal	Investment revaluation	Property revaluation	Total				
Balances at 31 December 2024	220,000	(14,793)	47,292	(1,499)	2,353	48,146	29,411	282,764	7,722	290,486
Profit (loss) for the year	-	-	-	-	-	-	3,913	3,913	(222)	3,691
Fair value changes on investment at fair value through other comprehensive income	-	-	-	5,706	-	5,706	-	5,706	88	5,794
Transfers for recognition of gains on disposal of debt investments at fair value through other comprehensive income	-	-	-	(110)	-	(110)	-	(110)	(1)	(111)
Revaluation of property	-	-	-	-	213	213	-	213	-	213
Total comprehensive income for the year	-	-	-	5,596	213	5,809	3,913	9,722	(135)	9,587
Dividends paid	-	-	-	-	-	-	(24,764)	(24,764)	-	(24,764)
Transfer of net depreciation on revalued property	-	-	-	-	(168)	(168)	168	-	-	-
Transfer to (from) non-distributable reserves	-	-	391	-	-	391	(391)	-	-	-
Balances at 31 December 2025	220,000	(14,793)	47,683	4,097	2,398	54,178	8,337	267,722	7,587	275,309

The accompanying notes 1 to 30 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2025

(In thousands of U.S. Dollars)

31 March 2025	Share Capital	Treasury Stock	Reserves				Retained earnings	Attributable to shareholders of parent company	Non-controlling interests	Total equity (reviewed)
			Legal	Investment revaluation	Property revaluation	Total				
Balances at 31 December 2024	220,000	(14,793)	47,292	(1,499)	2,353	48,146	29,411	282,764	7,722	290,486
Profit (loss) for the period	-	-	-	-	-	-	1,648	1,648	(68)	1,580
Fair value changes on investment at fair value through other comprehensive income	-	-	-	3,393	-	3,393	-	3,393	40	3,433
Transfers for recognition of losses on disposal of debt investments at fair value through other comprehensive income	-	-	-	23	-	23	-	23	-	23
Revaluation of property	-	-	-	-	213	213	-	213	-	213
Total comprehensive income for the period	-	-	-	3,416	213	3,629	1,648	5,277	(28)	5,249
Dividends declared	-	-	-	-	-	-	(24,764)	(24,764)	-	(24,764)
Transfer of net depreciation on revalued property	-	-	-	-	(39)	(39)	39	-	-	-
Balances at 31 March 2025	220,000	(14,793)	47,292	1,917	2,527	51,736	6,334	263,277	7,694	270,971

The accompanying notes 1 to 30 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

(In thousands of U.S. Dollars)

	Note	**For the financial year -to-date 31 March 2026 (reviewed)**	For the financial year -to-date 31 March 2025 (reviewed)	For the year ended 31 December 2025 (audited)
CASH FLOWS FROM OPERATING ACTIVITIES				
Premiums received		**91**	24	88
Reinsurance premiums paid		**(70)**	(103)	(812)
Claims and acquisition costs paid		**(1,489)**	(2,450)	(6,526)
Reinsurance receipts in respect of claims		**24**	34	105
Investment income		**121**	62	484
Interest income		**118**	182	604
Operating expenses paid		**(2,211)**	(2,381)	(8,508)
Other (expenses) income, net		**(108)**	556	(2,342)
Insurance deposits received (paid), net		**571**	3,053	3,382
Purchase of investments at fair value through profit or loss		**(1)**	(14)	(53)
Sale of investments at fair value through profit or loss		**331**	5,335	10,900
Net cash (used in) provided by operating activities	23	**(2,623)**	4,298	(2,678)
CASH FLOWS FROM INVESTING ACTIVITIES				
Maturity/sale of investments		**10,687**	14,403	82,787
Purchase of investments		**(5,056)**	(13,962)	(79,538)
Term deposits with bank, net		**9,847**	3,991	61
Interest income		**2,829**	2,658	12,272
Investment income		**86**	-	3
Purchase of property and equipment		**-**	(5)	(178)
Net cash provided by investing activities		**18,393**	7,085	15,407
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid		**(6,439)**	-	(24,764)
Net cash used in financing activities		**(6,439)**	-	(24,764)
Net increase (decrease) in cash and cash equivalents		**9,331**	11,383	(12,035)
Effect of exchange rate on cash and cash equivalents		**(19)**	2	-
Cash and cash equivalents, beginning of period		**20,490**	32,525	32,525
Cash and cash equivalents, end of period	4	**29,802**	43,910	20,490
Term deposits with bank		**10,997**	16,914	20,844
Cash and bank balances, end of period	4	**40,799**	60,824	41,334

The accompanying notes 1 to 30 are an integral part of
these condensed consolidated interim financial statements.

1. INCORPORATION AND PRINCIPAL ACTIVITY

Arab Insurance Group (B.S.C.) (the “Company”, “parent company”) is an international insurance company registered as a Bahraini Shareholding Company having its registered office at Arig House, Manama, Kingdom of Bahrain. The parent company and its subsidiaries (the “Group”) are involved in provision of general (non-life) and life reinsurance and related service activities.

The Board in its meeting held on 13 May 2019 resolved to recommend to the shareholders the cessation of the Company's underwriting activities. In an Extraordinary General Meeting held on 13 August 2020 the shareholders approved the Board’s recommendation and placed the insurance portfolio in run-off. The Company has sought the approval of CBB to implement the resolution of the shareholders.

The board of directors expect the proposed run-off of the existing insurance portfolio to take more than 12 months and have assessed that the Company will continue to operate as a going concern for at least 12 months from the date of these condensed consolidated interim financial statements. Therefore, these condensed consolidated interim financial statements have been prepared on going concern basis.

2. BASIS OF ACCOUNTING AND MEASUREMENT

This condensed consolidated interim financial information has been prepared in accordance with IAS 34, “Interim Financial Reporting”, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2025 (“last annual consolidated financial statements”). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. This condensed consolidated interim financial information was authorized for issue by the Group's Board of Directors on 14 May 2026.

The condensed consolidated interim financial information are reviewed, not audited. The comparatives for the condensed statement of financial position have been extracted from the audited financial statements for the year ended 31 December 2025 and comparatives for the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows have been extracted from the reviewed condensed interim financial information of the Company for the three month period ended 31 March 2025.

The Group’s condensed consolidated interim financial statements are presented in U.S. Dollars, which is its functional currency as its share capital and a significant proportion of its business, assets and liabilities are denominated in that currency.

The accounting policies and methods of computation are consistent with the most recent consolidated financial statements of the Group at 31 December 2025 that were prepared in accordance with IFRS Accounting Standards. Comparative figures have been reclassified, where necessary, to conform to the current period’s presentation.

Improvements / amendments to IFRS Accounting Standards

Improvements / amendments to IFRS Accounting Standards contained numerous amendments to IFRS Accounting Standards that the IASB considers non-urgent but necessary. ‘Improvements to IFRS Accounting Standards’ comprise amendments that result in accounting changes to presentation, recognition or measurement purposes, as well as terminology or editorial amendments related to a variety of individual IFRS Accounting Standards. The amendments are effective for the Group’s future accounting period with earlier adoption.

2. BASIS OF ACCOUNTING AND MEASUREMENT (CONTD.)

Standards, amendments and interpretations issued and effective in 2026

The following new amendments to existing standards and interpretations to published standards are mandatory for accounting year beginning on or after 1 January 2026 or subsequent periods.

Standard or Interpretation	Title	Effective for annual periods beginning on or after
Amendments to IFRS 9	Financial Instruments	1 January 2026
Amendments to IFRS 7	Financial Instruments: Disclosures	1 January 2026

Standards, amendments and interpretations issued but not yet effective in 2026

The following new/amended accounting standards and interpretations have been issued, but are not mandatory and hence, have not been adopted in preparing the condensed consolidated interim financial statements for the three months period ended 31 March 2026. In all cases, the Group intends to apply these standards from application date as indicated in the table below:

Standard or Interpretation	Title	Effective for annual periods beginning on or after
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

Early adoption of amendments or standards in 2026

The Group did not early-adopt any new or amended standards in 2026. There would have been no change in the consolidated interim operational results of the Group for the three months period ended 31 March 2026 had the Group early adopted any of the above standards applicable to the Group.

Interim results

The interim consolidated profit and other comprehensive income for the three months period ended 31 March 2026 may not represent a proportionate share of the annual consolidated profit and other comprehensive income due to movement in interest rates.

3. MANAGEMENT OF RISKS

The Group's activities expose it to a variety of financial and other risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk, underwriting risk and liquidity risk.

These condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s consolidated financial statements as at 31 December 2025.

There have been no changes in the risk management function since the year end or in any risk management policies.

4. CASH AND BANK BALANCES

	US$ '000		
	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2025 (reviewed)
Cash and bank balances	**19,939**	20,427	43,946
Deposits with maturities of 3 months or less	**9,900**	100	-
Cash and cash equivalents	**29,839**	20,527	43,946
Deposits with maturities over 3 months	**10,997**	20,844	16,914
Expected credit losses	**(37)**	(37)	(36)
	40,799	41,334	60,824

5. A. INVESTMENTS

	US$ '000		
	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2025 (reviewed)
At fair value through profit or loss			
Debt securities			
- Investment grade	**9,388**	9,383	14,241
Common stock of unlisted companies	**672**	688	1,022
Other equity type investment	**3,618**	4,316	5,496
	13,678	14,387	20,759
At fair value through other comprehensive Income			
Debt securities			
- Supra-nationals and OECD country governments	**251,614**	248,655	221,611
- Investment grade	**10,654**	19,609	29,373
- Other	**11,394**	13,350	31,211
Common stock of unlisted companies	**1,000**	1,000	1,000
	274,662	282,614	283,195
Investment in associate	**569**	569	550
	288,909	297,570	304,504
Expected credit losses	**(329)**	(327)	(377)
	288,580	297,243	304,127

B. COMMITMENTS OUTSTANDING

The Group has commitments in respect of uncalled capital in at fair value through profit or loss investments amounting to US$ 2.2 million (31 December 2025: US$ 2.2 million; 31 March 2025 US$ 2.2 million).

6. MOVEMENT OF THE LIABILITY FOR REMAINING COVERAGE AND THE LIABILITY FOR INCURRED CLAIMS FOR REINSURANCE CONTRACTS

	US$ '000				
	31 March 2026 (reviewed)				
	LfRC*		LfIC for contracts measured under PAA		Total
	Excl. LC	LC*	PVCF*	RA*	
Opening reinsurance contract assets	980	-	7,193	23	8,196
Opening reinsurance contract liabilities	(4,279)	-	147	10	(4,122)
	(3,299)	-	7,340	33	4,074
Net income or expense from reinsurance contract held					
- Allocation of reinsurer premium	(70)	-	-	-	(70)
- Changes that relate to past services - adjustment to LIC*	-	-	(861)	(9)	(870)
- Expenses directly attributable to reinsurance	-	-	(94)	-	(94)
Reinsurance finance income through profit or loss	-	-	48	-	48
Net foreign exchange income or expense	-	-	-	-	-
Total changes in statement of profit or loss and OCI*	(70)		(907)	(9)	(986)
Premiums paid to reinsurer net of commission	90	-	-	-	90
Directly attributable expenses paid	-	-	146	-	146
Recoveries from reinsurance	-	-	92	-	92
Total cash flows	90	-	238	-	328
Closing reinsurance contract assets	1,081		6,524	14	7,619
Closing reinsurance contract liabilities	(4,360)		147	10	(4,203)
	(3,279)		6,671	24	3,416

*LIC / LfIC - Liability for incurred claims
*LfRC - Liability for remaining coverage
* PVCF - Present value of cash flow
* RA - Risk adjustment
* LC - Loss components
* OCI - Other comprehensive income

6. MOVEMENT OF THE LIABILITY FOR REMAINING COVERAGE AND THE LIABILITY FOR INCURRED CLAIMS FOR REINSURANCE CONTRACTS (CONTD.)

	US$ '000				
	31 December 2025 (audited)				
	LfRC		LfIC for contracts measured under PAA		Total
	Excl. LC	LC	PVCF	RA	
Opening reinsurance contract assets	263	-	7,493	19	7,775
Opening reinsurance contract liabilities	(3,581)	-	(561)	12	(4,130)
	(3,318)	-	6,932	31	3,645
Net income or expense from reinsurance contracts held					
- Allocation of reinsurer premium	(787)	-	-	-	(787)
- Changes that relate to past services-adjustments to LIC	-	-	(21)	2	(19)
- Expenses directly attributable to reinsurance	-	-	(383)	-	(383)
Reinsurance finance income through profit or loss	-	-	410	-	410
Net foreign exchange income or expense	-	-	-	-	-
Total changes in statement of profit or loss and OCI	(787)	-	6	2	(779)
Premiums paid to reinsurer net of commission	806	-	-	-	806
Directly attributable expenses paid	-	-	465	-	465
Recoveries from reinsurance	-	-	(63)	-	(63)
Total cash flows	806	-	402	-	1,208
Closing reinsurance contract assets	980	-	7,193	23	8,196
Closing reinsurance contract liabilities	(4,279)	-	147	10	(4,122)
	(3,299)	-	7,340	33	4,074

6. MOVEMENT OF THE LIABILITY FOR REMAINING COVERAGE AND THE LIABILITY FOR INCURRED CLAIMS FOR REINSURANCE CONTRACTS (CONTD.)

	US$ '000				
	31 March 2025 (reviewed)				
	LfRC		LfIC for contracts measured under PAA		Total
	Excl. LC	LC	PVCF	RA	
Opening reinsurance contract assets	263	-	7,493	19	7,775
Opening reinsurance contract liabilities	(3,581)	-	(561)	12	(4,130)
	(3,318)	-	6,932	31	3,645
Net income or expense from reinsurance contract held					
- Allocation of reinsurer premium	(213)	-	-	-	(213)
- Changes that relate to past services - adjustment to LIC	-	-	(123)	-	(123)
- Expenses directly attributable to reinsurance	-	-	(118)	-	(118)
Reinsurance finance income through profit or loss	-	-	107	-	107
Net foreign exchange income or expense	(1)	-	-	-	(1)
Total changes in statement of profit or loss and OCI	(214)	-	(134)	-	(348)
Premiums paid to reinsurer net of commission	217	-	-	-	217
Directly attributable expenses paid	-	-	16	-	16
Recoveries from reinsurance	-	-	149	-	149
Total cash flows	217	-	165	-	382
Closing reinsurance contract assets	439	-	6,826	19	7,284
Closing reinsurance contract liabilities	(3,754)	-	137	12	(3,605)
	(3,315)	-	6,963	31	3,679

7. OTHER ASSETS

	US$ '000		
	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2025 (reviewed)
Intangible assets			
- Computer software	**9,730**	9,730	10,010
	9,730	9,730	10,010
Less: Accumulated amortization	**(9,408)**	(9,406)	(9,679)
	322	324	331
Other assets			
- Collateralised cash deposits*	**342**	342	342
- Other receivables	**271**	209	312
- Prepayments	**313**	329	512
	926	880	1,166
	1,248	1,204	1,497

*Collateralised cash deposits have been pledged as security for reinsurance trust agreements and guarantees.

8. PROPERTY AND EQUIPMENT

	US$ '000		
	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2025 (reviewed)
Land	**1,552**	1,552	1,552
Building	**3,357**	3,357	3,357
Furniture & fixtures	**6,262**	6,262	6,920
Hardware	**1,930**	1,930	2,230
Office equipment	**385**	385	392
Others	**531**	533	671
	14,017	14,019	15,122
Less: Accumulated depreciation and impairment			
- Building	**(530)**	(488)	(359)
- Furniture & fixtures	**(6,253)**	(6,253)	(6,909)
- Hardware	**(1,787)**	(1,772)	(2,216)
- Office equipment	**(383)**	(383)	(388)
- Others	**(369)**	(441)	(471)
	(9,322)	(9,337)	(10,343)
	4,695	4,682	4,779

Land and Building comprise the head office property owned and occupied by the Company since 1984.

9. MOVEMENT OF THE LIABILITY FOR REMAINING COVERAGE AND THE LIABILITY FOR INCURRED CLAIMS FOR INSURANCE CONTRACTS

	US$'000					
	31 March 2026 (reviewed)					
	LfRC		LfIC for contracts measured under GMM*	LfIC for contracts measured under PAA		Total
	Excl. LC	LC		PVCF	RA	
Opening insurance contract assets of parent	-	-	-	-	-	-
Opening insurance contract liabilities of parent	2,648	-	(1,101)	(74,810)	(537)	(73,800)
	2,648	-	(1,101)	(74,810)	(537)	(73,800)
Insurance revenue	(192)	-	-	-	-	(192)
Insurance service expenses						
- Incurred benefits and expenses	-	-	-	(1,213)	-	(1,213)
- Changes that relate to past services - adjustment to LfIC	-	-	16	2,545	30	2,591
- Amortisation of insurance acquisition cash flows	71	-	-	-	-	71
Insurance finance expenses through profit or loss	(18)	-	(7)	(430)	-	(455)
Insurance finance expenses through OCI	-	-	-	-	-	-
Net foreign exchange income or expense	(1)	-	-	-	-	(1)
Total changes in statement of profit or loss and OCI	**(140)**	**-**	**9**	**902**	**30**	**801**
Premiums received	(367)	-	-	-	-	(367)
Claims paid	-	-	-	1,076	-	1,076
Directly attributable expenses paid	-	-	-	2,081	-	2,081
Acquisition cost paid	(32)	-	-	-	-	(32)
Total cash flows	**(399)**	**-**	**-**	**3,157**	**-**	**2,758**
Closing insurance contract assets	-	-	-	-	-	-
Closing insurance contract liabilities	2,109	-	(1,092)	(70,751)	(507)	(70,241)
Insurance contract liabilities of parent	2,109	-	(1,092)	(70,751)	(507)	(70,241)
Technical reserve of subsidiaries	-	-	-	-	-	(759)
Account payables of subsidiaries	-	-	-	-	-	272
Total insurance contract liabilities	**-**	**-**	**-**	**-**	**-**	**(70,728)**

*GMM - General Measurement Model

9. MOVEMENT OF THE LIABILITY FOR REMAINING COVERAGE AND THE LIABILITY FOR INCURRED CLAIMS FOR INSURANCE CONTRACTS (CONTD.)

	US$'000					
	31 December 2025 (audited)					
	LfRC		LfIC for contracts measured under GMM	LfIC for contracts measured under PAA		Total
	Excl. LC	LC		PVCF	RA	
Opening insurance contract assets of parent	-	-	-	-	-	-
Opening insurance contract liabilities of parent	1,334	-	(977)	(76,752)	(611)	(77,006)
	1,334	-	(977)	(76,752)	(611)	(77,006)
Insurance revenue	1,017	-	-	-	-	1,017
Insurance service expenses						
- Incurred benefits and expenses	-	-	-	(5,063)	-	(5,063)
- Changes that relate to past services - adjustment to LfIC	-	-	(1)	1,383	74	1,456
- Amortisation of insurance acquisition cash flows	(139)	-	-	-	-	(139)
Insurance finance expenses through profit or loss	(185)	-	(55)	(4,016)	-	(4,256)
Insurance finance expenses through OCI	-	-	-	-	-	-
Net foreign exchange income or expense	1	-	-	-	-	1
Total changes in statement of profit or loss and OCI	694	-	(56)	(7,696)	74	(6,984)
Premiums received	477	-	-	-	-	477
Claims paid	-	-	(68)	3,480	-	3,412
Directly attributable expenses paid	-	-	-	6,158	-	6,158
Acquisition cost paid	143	-	-	-	-	143
Total cash flows	620	-	(68)	9,638	-	10,190
Closing insurance contract assets	-	-	-	-	-	-
Closing insurance contract liabilities	2,648	-	(1,101)	(74,810)	(537)	(73,800)
Insurance contract liabilities of parent	2,648	-	(1,101)	(74,810)	(537)	(73,800)
Technical reserve of subsidiaries	-	-	-	-	-	(769)
Account payable of subsidiaries	-	-	-	-	-	349
Total insurance contract liabilities	-	-	-	-	-	(74,220)

9. MOVEMENT OF THE LIABILITY FOR REMAINING COVERAGE AND THE LIABILITY FOR INCURRED CLAIMS FOR INSURANCE CONTRACTS (CONTD.)

	US$'000					
	31 March 2025 (reviewed)					
	LfRC		LfIC for contracts measured under GMM	LfIC for contracts measured under PAA		Total
	Excl. LC	LC		PVCF	RA	
Opening insurance contract assets of parent	-	-	-	-	-	-
Opening insurance contract liabilities of parent	1,334	-	(977)	(76,752)	(611)	(77,006)
	1,334	-	(977)	(76,752)	(611)	(77,006)
Insurance revenue	318	-	-	-	-	318
Insurance service expenses						
- Incurred benefits and expenses	-	-	-	(1,025)	-	(1,025)
- Changes that relate to past services - adjustment to LfIC	-	-	5	1,127	79	1,211
- Amortisation of insurance acquisition cash flows	(33)	-	-	-	-	(33)
Insurance finance expenses through profit or loss	(47)	-	(14)	(1,049)	-	(1,110)
Insurance finance expenses through OCI	-	-	-	-	-	-
Net foreign exchange income or expense	6	-	-	-	-	6
Total changes in statement of profit or loss and OCI	244	-	(9)	(947)	79	(633)
Premiums received	(3,348)	-	-	-	-	(3,348)
Claims paid	-	-	-	2,480	-	2,480
Directly attributable expenses paid	-	-	-	(365)	-	(365)
Acquisition cost paid	37	-	-	-	-	37
Total cash flows	(3,311)	-	-	2,115	-	(1,196)
Closing insurance contract assets	-	-	-	-	-	-
Closing insurance contract liabilities	(1,733)	-	(986)	(75,584)	(532)	(78,835)
Insurance contract liabilities of parent	(1,733)	-	(986)	(75,584)	(532)	(78,835)
Technical reserve of subsidiaries	-	-	-	-	-	(754)
Account payables of subsidiaries	-	-	-	-	-	(23)
Total insurance contract liabilities	-	-	-	-	-	(79,612)

10. MOVEMENT OF THE COMPONENTS OF INSURANCE CONTRACT LIABILITIES

	US$ '000			
	31 March 2026 (reviewed)			
	BEL*	RA	CSM	Total
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	(3,696)	(461)	(337)	(4,494)
	(3,696)	(461)	(337)	(4,494)
Changes related to current services				
- CSM recognized in profit or loss	-	-	18	18
- Risk Adjustment recognized in profit or loss	-	19	-	19
- Experience adjustments	139	-	-	139
Changes related to future services				
- Change in estimates that adjust CSM	(10)	-	10	-
Changes that relate to past service - adjustments to LfIC	17	-	-	17
Insurance finance expenses through profit or loss	(23)		(1)	(24)
Total changes in statement of profit or loss and OCI	123	19	27	169
Premiums received	4	-	-	4
Claims paid	-	-	-	-
Acquisition cost paid	-	-	-	-
Total cash flows	4	-	-	4
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	(3,569)	(442)	(310)	(4,321)
	(3,569)	(442)	(310)	(4,321)

*BEL - Best estimate of liabilities

10. MOVEMENT OF THE COMPONENTS OF INSURANCE CONTRACT LIABILITIES (CONTD.)

	US$ '000			
	31 December 2025 (audited)			
	BEL	RA	CSM	Total
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	(3,626)	(369)	(767)	(4,762)
	(3,626)	(369)	(767)	(4,762)
Changes related to current services				
- CSM recognized in profit or loss	-	-	191	191
- Risk Adjustment recognized in profit or loss	-	(46)	-	(46)
- Experience adjustments	450	-	-	450
Changes related to future services				
- Change in estimates that adjust CSM	(206)	(46)	252	-
Changes that relate to past service - adjustments to LfIC	(1)	-	-	(1)
Insurance finance expenses through profit or loss	(228)	-	(13)	(241)
Total changes in statement of profit or loss and OCI	15	(92)	430	353
Premiums received	(14)	-	-	(14)
Claims paid	(68)	-	-	(68)
Acquisition cost paid	(3)	-	-	(3)
Total cash flows	(85)	-	-	(85)
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	(3,696)	(461)	(337)	(4,494)
	(3,696)	(461)	(337)	(4,494)

10. MOVEMENT OF THE COMPONENTS OF INSURANCE CONTRACT LIABILITIES (CONTD.)

	US$ '000			
	31 March 2025 (reviewed)			
	BEL	RA	CSM	Total
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	(3,626)	(369)	(767)	(4,762)
	(3,626)	(369)	(767)	(4,762)
Changes related to current services				
- CSM recognized in profit or loss	-	-	104	104
- Risk adjustment recognized in profit and loss	-	7	-	7
- Experience adjustments	112	-	-	112
Changes related to future services				
- Change in estimates that adjust CSM	(4)	-	4	-
Changes that relate to past service - adjustments to LfIC	5	-	-	5
Insurance finance expenses through profit or loss	(58)	-	(3)	(61)
Total changes in statement of profit or loss and OCI	55	7	105	167
Premiums received	(5)	-	-	(5)
Claims paid	1	-	-	1
Acquisition cost paid	2	-	-	2
Total cash flows	(2)	-	-	(2)
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	(3,573)	(362)	(662)	(4,597)
	(3,573)	(362)	(662)	(4,597)

11. MOVEMENT OF CONTRACTUAL SERVICE MARGIN

	US$ '000		
	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2025 (reviewed)
Contractual service Margin			
Opening balance	**337**	767	767
Change related to current services			
- CSM recognized in profit and loss	**(18)**	(191)	(104)
Changes related to future services			
- Changes in estimates that adjust CSM	**(10)**	(252)	(4)
- Change in estimates that result in onerous contract or reversal of losses	**-**	13	-
Insurance finance expenses through profit or loss	**1**	-	3
Closing balance	**310**	337	662
Insurance Revenue	**176**	595	223

12. OTHER LIABILITIES

	US$ '000		
	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2025 (reviewed)
Provision for probable loss estimates in a subsidiary (note 26 (iii))	**97**	100	1,013
Accrued expenses	**331**	335	954
Dividends payable	**234**	234	24,998
Other	**781**	838	404
	1,443	1,507	27,369

13. INSURANCE REVENUE

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Amounts relating to change in LfRC			
- Expected benefits incurred	**89**	66	272
- Expected expenses incurred	**51**	47	179
- Change in risk adjustment	**19**	7	(46)
- CSM recognized	**18**	104	191
Recovery of acquisition cash flow	**-**	-	-
Experience adjustments	**(1)**	(1)	(1)
Contracts not measured under PAA	**176**	223	595
Contracts measured under PAA	**(368)**	95	422
Insurance revenue of parent	**(192)**	318	1,017
Insurance revenue of subsidiaries	**-**	-	-
Total insurance revenue	**(192)**	318	1,017

14. INSURANCE SERVICE EXPENSES

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)n
Incurred benefits	**-**	-	-
Incurred directly attributable expenses	**1,213**	1,025	5,063
Changes that relates to past services - adjustment to LfIC	**(2,591)**	(1,211)	(1,456)
Insurance acquisition costs	**(71)**	33	139
Insurance service expense of parent	**(1,449)**	(153)	3,746
Insurance service expense of subsidiaries	**135**	205	745
Total insurance service expense	**(1,314)**	52	4,491

15. NET EXPENSE FROM REINSURANCE CONTRACTS HELD

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Expected expenses for contracts not measured under PAA			
- Expected recovery of claims and other expenses	**-**	-	-
- Change in the risk adjustment	**-**	-	-
- CSM recognized	**-**	-	-
- Experience adjustments	**-**	-	-
Expected expenses for contracts measured under PAA	**70**	213	787
Allocation of reinsurer premium	**70**	213	787
Amounts recovered for claims and other expenses	**-**	-	-
Incurred directly attributable expenses	**94**	77	383
Changes that relate to past service - recoverable claims and other expenses	**870**	123	19
Changes in fulfilment cash flows that do not adjust underlying CSM	**-**	-	-
Effect of changes in the risk of reinsurers non-performance	**-**	-	-
Amounts recoverable from reinsurer and incurred expenses	**964**	200	402
Net expense from reinsurance contracts held	**1,034**	413	1,189

16. SEGMENT INFORMATION

The Group's reinsurance business consists of two main business segments, Non-life and Life. Non-life business primarily consists of Property, Engineering, Marine, Accident, Whole Account and Other classes. Life business mainly involves short term group life policies and long term life policies. Life portfolio does not contain investment linked policies. All operating segments' operating results are reviewed regularly by the management to make decisions about resources to be allocated to the segment and assess its performance for which discrete financial information is available. Segment assets and liabilities are reviwed by management only on aggregate basis.

- ANALYSIS OF REVENUE BY PRIMARY BUSINESS SEGMENT:

	US$ '000								
	Period ended 31 March 2026 (reviewed)								
	Non-life					Life		Unallocated expenses of subsidiaries	Total
	Property	Engineering	Marine	Accident	Others	Short term	Long term		
Insurance revenue	38	(38)	(60)	1	(307)	(3)	177	-	(192)
Insurance service expense	665	600	(4)	164	(53)	70	17	(145)	1,314
Net expense from reinsurance contracts held	401	50	(165)	-	(1,309)	(11)	-	-	(1,034)
Insurance service result	1,104	612	(229)	165	(1,669)	56	194	(145)	88
Insurance finance expenses	(95)	(80)	(27)	(7)	(188)	(34)	(24)	-	(455)
Reinsurance finance income	-	5	4	-	39	-	-	-	48
	(95)	(75)	(23)	(7)	(149)	(34)	(24)	-	(407)

16. SEGMENT INFORMATION (CONTD.)

- ANALYSIS OF REVENUE BY PRIMARY BUSINESS SEGMENT:

	US$ '000								
	Year ended 31 December 2025 (audited)								
	Non-life					Life		Unallocated expenses of subsidiaries	Total
	Property	Engineering	Marine	Accident	Others	Short term	Long term		
Insurance revenue	(10)	435	11	(23)	9	-	595	-	1,017
Insurance service expense	(668)	(1,522)	97	346	(2,144)	126	(1)	(725)	(4,491)
Net expense from reinsurance contracts held	(384)	(1,036)	(239)	-	521	(51)	-	-	(1,189)
Insurance service result	(1,062)	(2,123)	(131)	323	(1,614)	75	594	(725)	(4,663)
Insurance finance expenses	(898)	(709)	(260)	(71)	(1,779)	(298)	(241)	-	(4,256)
Reinsurance finance income	25	59	36	-	289	1	-	-	410
	(873)	(650)	(224)	(71)	(1,490)	(297)	(241)	-	(3,846)

16. SEGMENT INFORMATION (CONTD.)
- ANALYSIS OF REVENUE BY PRIMARY BUSINESS SEGMENT:

	US$ '000								
	Period ended 31 March 2025 (reviewed)								
	Non-life					Life		Unallocated expenses of subsidiaries	Total
	Property	Engineering	Marine	Accident	Others	Short term	Long term		
Insurance revenue	15	84	(7)	1	2	-	223	-	318
Insurance service expense	(10)	34	(3)	9	(46)	155	8	(199)	(52)
Net expense from reinsurance contracts held	3	(294)	(171)	(20)	76	(7)	-	-	(413)
Insurance service result	8	(176)	(181)	(10)	32	148	231	(199)	(147)
Insurance finance expenses	(235)	(172)	(70)	(19)	(469)	(78)	(61)	-	(1,104)
Reinsurance finance income	8	16	9	-	74	-	-	-	107
	(227)	(156)	(61)	(19)	(395)	(78)	(61)	-	(997)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTD.)

17. INVESTMENT INCOME

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Interest income			
- Investment designated at fair value through profit or loss	**93**	163	533
- Cash and bank deposits	**298**	395	1,319
- Investment designated at fair value through other comprehensive income	**2,714**	2,733	10,927
Realised gain (loss) on investment			
- Designated at fair value through other comprehensive Income	**182**	(23)	111
- Designated at fair value through profit or loss	**104**	67	586
Unrealized loss on Investment designated at fair value through profit or loss	**(378)**	(60)	(911)
Income from associate	**-**	-	19
Others	**(98)**	(80)	(321)
	2,915	3,195	12,263

18. INSURANCE FINANCE EXPENSES

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Interest accreted to insurance contracts	**642**	774	3,093
Change in financial assumption through profit or loss	**(188)**	336	1,142
Effect of unlocking CSM at looked-in rates and FCF at current rates	**-**	-	22
Net foreign exchange income or expense	**1**	(6)	(1)
Total insurance finance expense	**455**	1,104	4,256

19. REINSURANCE FINANCE INCOME

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Interest accreted to reinsurance contracts	**66**	75	297
Change in financial assumption through profit or loss	**(18)**	33	113
Net foreign exchange income or expense	**-**	(1)	-
Total reinsurance finance income	**48**	107	410

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTD.)

20. OTHER EXPENSES AND PROVISIONS

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Foreign exchange loss	**79**	-	-
Impairment in value of land	**-**	419	419
Operating expenses of non-insurance subsidiary	**-**	107	370
Other, net	**33**	62	447
Total other expenses and provisions	**112**	588	1,236

21. OTHER INCOME

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Foreign exchange gain	**-**	16	142
Reversal of provisions	**180**	-	862
Other	**12**	101	169
Total other income	**192**	117	1,173

22. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS

The Group does not have any potentially dilutive ordinary shares. Hence the diluted earnings per share and basic earnings per share are identical. Basic and diluted earnings per share has been computed as follows:

		Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Weighted average number of shares outstanding	'000	**198,115**	198,115	198,115
Net profit	US$'000	**2,751**	1,648	3,913
Earnings per share	US cents	**1.4**	0.8	2.0

23. RECONCILIATION OF NET RESULT TO CASH FLOWS FROM OPERATING ACTIVITIES

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Profit for the period	**2,676**	1,580	3,691
Change in insurance funds	**(1,571)**	1,052	872
Change in insurance receivable/payable, net	**(320)**	(761)	(3,364)
Change in accrued income	**(158)**	(450)	97
Change in other assets/liabilities, net	**(3,250)**	2,877	(3,974)
Net cash (used in) provided by operating activities	**(2,623)**	4,298	(2,678)

24. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	US$'000	
	Dividends	**Non-controlling Interest**
Balances at 31 December 2025	**234**	**7,587**
Share of comprehensive income	**-**	**(72)**
Balances at 31 March 2026	**234**	**7,515**
Balances at 31 December 2024	234	7,722
Share of comprehensive income	-	(28)
Dividends payable	24,764	-
Balances at 31 March 2025	24,998	7,694
Balances at 31 December 2024	234	7,722
Share of comprehensive income	-	(135)
Balances at 31 December 2025	234	7,587

25. FAIR VALUE DISCLOSURE

The following table presents the fair values of the Group's financial instruments:

	US$ '000				
	31 March 2026 (reviewed)				
	Book Value				
	At fair value through profit or loss	At fair value through other comprehensive income	Amortised cost	Total	Fair value
ASSETS					
Cash and bank balances	**-**	**-**	**40,799**	**40,799**	**40,799**
Investment assets	**13,678**	**274,662**	**-**	**288,340**	**288,340**
Accrued interest	**-**	**-**	**2,657**	**2,657**	**2,657**
Reinsurance contract assets	**-**	**-**	**7,619**	**7,619**	**7,619**
Other assets	**-**	**-**	**613**	**613**	**613**
LIABILITIES					
Insurance contract liabilities	**-**	**-**	**70,728**	**70,728**	**70,728**
Reinsurance contract liabilities	**-**	**-**	**4,203**	**4,203**	**4,203**
Other liabilities	**-**	**-**	**1,015**	**1,015**	**1,015**

	US$ '000				
	31 December 2025 (audited)				
	Book Value				
	At fair value through profit or loss	At fair value through other comprehensive income	Amortised cost	Total	Fair value
ASSETS					
Cash and bank balances	-	-	41,334	41,334	41,334
Investment assets	14,387	282,614	-	297,001	297,001
Accrued interest	-	-	2,499	2,499	2,499
Reinsurance contract assets	-	-	8,196	8,196	8,196
Other assets	-	-	551	551	551
LIABILITIES					
Insurance contract liabilities	-	-	74,220	74,220	74,220
Reinsurance contract liabilities	-	-	4,122	4,122	4,122
Other liabilities	-	-	1,072	1,072	1,072

25. FAIR VALUE DISCLOSURE (CONTD.)

	US$ '000				
	31 March 2025 (reviewed)				
	Book Value				
	At fair value through profit or loss	At fair value through other comprehensive income	Amortised cost	Total	Fair value
ASSETS					
Cash and bank balances	-	-	60,824	60,824	60,824
Investment assets	20,759	283,195	-	303,954	303,954
Accrued interest	-	-	3,046	3,046	3,046
Reinsurance contract assets	-	-	7,284	7,284	7,284
Other assets	-	-	654	654	654
LIABILITIES					
Insurance contract liabilities	-	-	79,612	79,612	79,612
Reinsurance contract liabilities	-	-	3,605	3,605	3,605
Other liabilities	-	-	25,402	25,402	25,402

The information disclosed in the table above is not indicative of the net worth of the Group.

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 in the principal market, or in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

When there is no quoted price in an active market, the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

The following methods and assumptions were used to estimate the fair value of the financial instruments:

i) **General:**
The book values of the Group's financial instruments except investments and forward foreign exchange contracts were deemed to approximate fair value due to the immediate or short term maturity of these financial instruments.

Hence, the fair value measurement details are not disclosed.

ii) **Investments:**
The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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

25. FAIR VALUE DISCLOSURE (CONTD.)

- Level 2: valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. as derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

- Level 3: valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted market prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

  Valuation techniques include net present value and discounted cash flow models and other valuation models. Assumptions and inputs used in valuation includes risk free and benchmark interest rates, bond and equity prices, and foreign exchange rates. The objective of valuations technique is to arrive at fair value measurement that reflects the price that would be received on sale of the asset at the measurement date.

The table below analyses financial instruments, measured at fair value as at the end of the period, by level in the fair value hierarchy into which the fair value measurement is categorized:

	US$'000			
31 March 2026 (reviewed)	**Level 1**	**Level 2**	**Level 3**	**Total**
At fair value through profit or loss				
Debt securities	**9,388**	**-**	**-**	**9,388**
Common stock of unlisted companies	**-**	**-**	**672**	**672**
Other	**-**	**-**	**3,618**	**3,618**
At fair value through other comprehensive income				
Debt securities	**273,662**	**-**	**-**	**273,662**
Common stock of unlisted companies	**-**	**-**	**1,000**	**1,000**
	283,050	**-**	**5,290**	**288,340**

	US$'000			
31 December 2025 (audited)	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Debt securities	9,383	-	-	9,383
Common stock of unlisted companies	-	-	688	688
Other	-	-	4,316	4,316
At fair value through other comprehensive income				
Debt securities	281,614	-	-	281,614
Common stock of unlisted companies	-	-	1,000	1,000
	290,997	-	6,004	297,001

25. FAIR VALUE DISCLOSURE (CONTD.)

	US$'000			
31 March 2025 (reviewed)	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Debt securities	14,241	-	-	14,241
Common stock of unlisted companies	-	-	1,022	1,022
Other	-	-	5,496	5,496
At fair value through other comprehensive income				
Debt securities	282,195	-	-	282,195
Common stock of unlisted companies	-	-	1,000	1,000
	296,436	-	7,518	303,954

The tables below show movements in the Level 3 financial assets measured at fair value:

	US$ '000		
31 March 2026 (reviewed)	**Unlisted equity**	**Other**	**Total**
Balances at 1 January 2026	**1,688**	**4,316**	**6,004**
Loss on fair value movement	**(16)**	**(368)**	**(384)**
Investments made during the period	**-**	**1**	**1**
Investments redeemed during the period	**-**	**(331)**	**(331)**
Balances at 31 March 2026	**1,672**	**3,618**	**5,290**

	US$'000		
31 December 2025 (audited)	Unlisted equity	Other	Total
Balances at 1 January 2025	2,013	6,077	8,090
Loss on fair value movement	(242)	(1,081)	(1,323)
Investments made during the year	-	98	98
Investments redeemed during the year	(83)	(778)	(861)
Balances at 31 December 2025	1,688	4,316	6,004

25. FAIR VALUE DISCLOSURE (CONTD.)

	US$ '000		
31 March 2025 (reviewed)	Unlisted equity	Other	Total
Balances at 1 January 2025	2,013	6,077	8,090
Gain (loss) on fair value movement	9	(319)	(310)
Investments made during the period	-	14	14
Investments redeemed during the period	-	(276)	(276)
Balances at 31 March 2025	2,022	5,496	7,518

The carrying values of the investment held in level 3 are based on unobservable inputs and reflects proportional share of the fair values of the respective companies and their underlying net assets. The Group does not expect the fair value of assets under level 2 & level 3 to change significantly on changing one or more of the observable / unobservable inputs. The valuations of these investments are reviewed quarterly and updated as necessary on the basis of information received from investee and investment managers. The Group recognises transfers between levels of the fair value hierarchy at the end of reporting period during which the change occurred. For the period ended 31 March 2026, there were no transfers in and out of level 1, level 2 and level 3 (31 December 2025: nil ; 31 March 2025: nil). The fair values are estimates and do not necessarily represent the price at which the investment would sell. As the determination of fair values involve subjective judgments, and given the inherent uncertainty of assumptions regarding capitalisation rates, discount rates, leasing and other factors, the amount which will be realized by the Group on the disposal of its investments may differ significantly from the values at which they are carried in the condensed consolidated interim financial statements, and the difference could be material.

iii. Fair value less than carrying amounts:

The fair value of fixed interest debt securities fluctuates with changes in market interest rates. The book value of financial assets held to maturity has not been reduced to fair value where lower, because such market rate variations are considered temporary in nature and management intends, and has the financial resources and capacity, to generally hold such investments to maturity.

26. PRINCIPAL SUBSIDIARIES & ASSOCIATES

i) Subsidiaries and associates

At 31 March 2026, the principal subsidiaries of the Company were:

	Country of incorporation	Ownership	Non-controlling Interests	Principal Activities
Gulf Warranties W.L.L. (under voluntary liquidation)	Kingdom of Bahrain	100%	Nil	Warranty
Takaful Re Limited (under run-off)	United Arab Emirates	54%	46%	Retakaful Insurance

26. PRINCIPAL SUBSIDIARIES & ASSOCIATES (CONTD.)

All holdings are in the ordinary share capital of the subsidiaries concerned and are unchanged from 31 December 2025. The Company holds 49% of the equity shares in its associate company Arima Insurance software W.L.L.

In the parent company, these investments are accounted using the equity method under IAS 27, Separate Financial Statements.

Financial statements of Takaful Re Limited (TRL) and Gulf Warranties W.L.L. (GWL) are not prepared on going concern basis as TRL is under run-off and GWL is under voluntary liquidation.

ii) Interest in subsidiaries: Takaful Re Limited

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
Non-controlling interests	**46%**	46%	46%
Total assets	**25,403**	25,592	25,552
Total liabilities	**9,064**	8,863	9,057
Net assets	**16,339**	16,729	16,495
Revenue	**-**	-	-
Loss for the period	**(163)**	(147)	(483)
Total comprehensive income	**(156)**	(59)	(293)
Comprehensive income attributable to non-controlling interests	**(72)**	(28)	(135)
Net cash used in operating activities	**(162)**	(242)	(1,044)
Net cash provided by investing activities	**9,954**	61	1,190
Net increase (decrease) in cash and cash equivalents	**9,792**	(181)	146

The subsidiary's policyholders funds are consolidated as these funds are controlled and managed by the subsidiary which is in a position to direct activities and operations.

iii) Interest in subsidiaries: Gulf Warranties W.L.L.

The Group's subsidiary's GWL in 2018, based on management's assessments had provided for probable loss of US$ 21.5 million. Following settlement of certain liabilities the provision has been reduced to US$ 0.1 million in the books of the subsidiary and consequently in the condensed consolidated interim financial statements of the Group for the three months period ended 31 March 2026. This does not constitute admission of any liability beyond the share capital of Gulf Warranties W.L.L.

27. RELATED PARTY TRANSACTIONS

Related parties represent the Company's major shareholders, associate companies, directors and key management personnel of the Group and entities controlled, jointly controlled or significantly influenced by such parties.

Government of UAE controls 17.5% of issued shares in the Group through major shareholders General Pension and Social Security Authority and Emirates Development Bank while Government of Libya controls 14.5% of issued shares in the Group through Central Bank of Libya. The Group does not have any significant transactions with these governments and entities controlled, jointly controlled or significantly influenced by these governments. Gulf Tamin Ltd. controls 13.85% of issued shares in the Group. The Group does not have any significant transactions with Gulf Tamin Ltd.

The following is the summary of transactions with related parties:

i) Associate companies:

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
a) Service fees for administration services provided by associate	**56**	51	246
b) Balances outstanding			
- Receivables	**-**	67	-
- Payables	**38**	-	14

ii) Compensation to directors and key management personnel:

	US$ '000		
	Financial year-to-date 31 March 2026 (reviewed)	Financial year-to-date 31 March 2025 (reviewed)	Year ended 31 December 2025 (audited)
a) Directors			
- Attendance fees	**95**	102	332
- Travel expenses	**22**	55	147
b) Key management compensation			
- Salaries and other short-term employee benefits	**104**	87	372
- Post-employment benefits	**9**	10	41
- Others	**-**	3	17
c) Balances payable to key management	**81**	104	148

28. DIVIDEND DECLARED

A dividend of US$ 6.4 million representing 3.25% of the paid up capital of the Company (net of treasury shares) for the year ended 31 December 2025 (at US$ 0.0325 per share) (2025: US$ 24.8 million for the year ended 31 December 2024 at US$ 0.125 per share), was approved by the shareholders in the Ordinary General Assembly Meeting held on 16 March 2026 (2025: 26 March 2025). The payment was made to Bahrain clear on 25 March 2026, for their final distribution to the entitled shareholders on 5 April 2026. (2025: 16 April 2025)

29. MIDDLE EAST GEOPOLITICAL EVENTS

During the three-month period ended 31 March 2026, geopolitical tensions in the Middle East , including Bahrain have escalated. Management has assessed the impact of these developments on the Group's financial position, performance and liquidity as at the reporting date. No impairment indicators were identified for assets as at 31 March 2026 as a result of these events. Management will continue to monitor developments and will assess the need for additional disclosures or accounting adjustments if required.

30. EVENTS AFTER THE REPORTING DATE

There were no significant events subsequent to 31 March 2026 and occurring before the date of the report that are expected to have a significant impact on these condensed consolidated interim financial statements.