

# **SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES**

**Review report and condensed consolidated interim financial  
information for the three month period ended 31 March 2026**



## Report of the Board of Directors

*Dear Shareholders,*

We have the pleasure in presenting you the financial results of **Sukoon Insurance P.J.S.C. (the “Company”) and its Subsidiaries (the “Group”)** for the quarter-ended 31 March 2026, marking a strong start to the year and continuing positive momentum across the business.

### Strong Financial Performance

The Group delivered a strong performance in the first quarter of 2026, reflecting disciplined underwriting, effective risk selection, and resilient investment income despite a challenging external environment.

- Insurance revenue increased to AED 1.73 billion, representing a 16% year-on-year growth.
- Insurance service result rose by 28% to AED 115.1 million, driven primarily by strong technical performance.
- Net investment income reached AED 80.5 million, a growth of 9%, supported by stable yields, disciplined income focused portfolio strategy coupled with healthy free operating cash flows generation.
- Profit before tax of AED 141.7 million, a 24% increase year-on-year.
- The Group continues to maintain exceptional capital and solvency position, with a solvency ratio of 265% as at year-ended 31 December 2025 (post-dividend).

The strong performance delivered in the first quarter provides a solid foundation for the year. The Group remains focused on sustainable profitable growth, operational excellence, and prudent capital management.

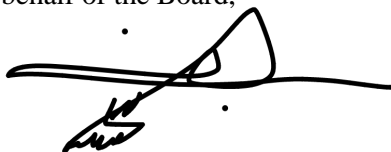
### Operational Resilience

We would like to express our deep appreciation and gratitude to the UAE’s leadership for fostering a strong sense of security, protection, and confidence, particularly during times of uncertainty. We are **proud of the UAE** — a nation that consistently demonstrates strength, foresight, and unity in navigating regional and global challenges — and we remain committed to contributing positively to its continued progress. Business continuity frameworks are in place across all functions, ensuring uninterrupted operations, service reliability, and the continued fulfilment of obligations to policyholders and partners, always delivering on our promise of **peace of mind**.

The Board would like to express its sincere appreciation to our customers and business partners for their continued trust, and to the management and employees of Sukoon for their dedication and commitment, which have been central to the Group’s ongoing success.

May God; the Almighty; guide our steps.

On behalf of the Board,



Badr Abdulla Ahmad Al Ghurair  
Chairman

# **SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES**

## **Review report and condensed consolidated interim financial information for the three month period ended 31 March 2026**

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## INDEPENDENT AUDITOR'S REVIEW REPORT

**The Board of Directors  
Sukoon Insurance P.J.S.C.  
Dubai  
United Arab Emirates**

### *Introduction*

We have reviewed the accompanying condensed consolidated interim statement of financial position of Sukoon Insurance P.J.S.C. (the "Company") and its Subsidiaries (the "Group") as at 31 March 2026 and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the three month period then ended and a summary of material accounting policy information and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Deloitte & Touche (M.E.)



Signed by:  
Firas Anabtawi  
Registration No. 5482  
29 April 2026  
Dubai, United Arab Emirates

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Condensed consolidated interim statement of financial position

		At 31 March 2026 (Unaudited) AED'000	At 31 December 2025 (Audited) AED'000
<b>Assets</b>			
Property and equipment		121,642	121,752
Intangible assets		44,300	44,300
Investment properties		183,935	183,935
Deferred tax assets		3,174	4,171
Statutory deposits		199,575	199,261
Financial investments at amortised cost	6	3,236,083	3,112,619
Financial investments at fair value through other comprehensive income (FVTOCI)	6	1,199,324	1,195,201
Financial investments at fair value through profit or loss	6	1,126,244	1,183,059
Insurance contract assets	7	3,011	6,517
Reinsurance contract assets	8	2,987,512	3,242,753
Prepayments and other receivables	9	339,065	322,020
Deposits with banks		1,197,592	1,150,236
Cash and cash equivalents		420,496	415,267
<b>Total assets</b>		<b>11,061,953</b>	<b>11,181,091</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	10	461,872	461,872
Other reserves	11	1,564,784	1,558,904
Cumulative changes in fair value of securities		6,929	35,841
Finance income and expenses reserve		5,424	8,042
Retained earnings		1,294,916	1,292,614
<b>Net equity attributable to the owners of the Company</b>		<b>3,333,925</b>	<b>3,357,273</b>
Non-controlling interests		14,774	14,406
<b>Total equity</b>		<b>3,348,699</b>	<b>3,371,679</b>
<b>Liabilities</b>			
Deferred tax liabilities		8,050	7,972
Employees' end of service benefits		47,532	47,871
Insurance contract liabilities	7	5,608,805	5,569,285
Reinsurance contract liabilities	8	39,934	20,250
Investment contract liabilities		884,949	939,219
Other payables		1,037,984	1,138,815
Bank borrowings	12	86,000	86,000
<b>Total liabilities</b>		<b>7,713,254</b>	<b>7,809,412</b>
<b>Total equity and liabilities</b>		<b>11,061,953</b>	<b>11,181,091</b>

To the best of our knowledge, the condensed consolidated interim financial information present fairly in all material respects the financial condition, results of operation and cashflows of the Group as of, and for, the periods presented therein.



.....  
Badr Abdulla Ahmad Al Ghurair  
Chairman



.....  
Hammad Raza Khan  
Interim Chief Executive Officer

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Condensed consolidated interim statement of profit or loss

	Notes	For the three month period ended 31 March	
		2026	2025
		(Unaudited) AED'000	(Unaudited) AED'000
Insurance revenue	15	<b>1,731,490</b>	1,494,013
Insurance service expenses		<b>(1,221,487)</b>	(1,065,629)
Insurance service result before reinsurance contracts held		<b>510,003</b>	428,384
Net expense from reinsurance contracts held		<b>(394,887)</b>	(338,691)
<b>Insurance service result</b>		<b>115,116</b>	89,693
Interest income from financial investments at amortised cost		<b>54,239</b>	47,022
Other investment income - net		<b>26,293</b>	26,941
<b>Net investment income</b>		<b>80,532</b>	73,963
Finance expenses from insurance contracts issued		<b>(41,103)</b>	(54,364)
Finance income from reinsurance contracts held		<b>33,256</b>	41,761
<b>Net insurance finance expenses</b>		<b>(7,847)</b>	(12,603)
<b>Net insurance and investment result</b>		<b>187,801</b>	151,053
General and administrative expenses		<b>(36,882)</b>	(28,723)
Board of directors' remuneration	16.3	<b>(562)</b>	(512)
Finance costs		<b>(885)</b>	(1,075)
Other expense - net		<b>(7,727)</b>	(5,978)
<b>Profit before tax</b>		<b>141,745</b>	114,765
Income tax expenses		<b>(19,987)</b>	(13,255)
<b>Profit after tax for the period</b>		<b>121,758</b>	101,510
<b>Attributable to:</b>			
Owners of the Company		<b>121,326</b>	101,199
Non-controlling interests		<b>432</b>	311
		<b>121,758</b>	101,510
Earnings per share (AED)	13	<b>0.26</b>	0.22

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Condensed consolidated interim statement of comprehensive income

	For the three month period ended 31 March	
	2026 (Unaudited) AED '000	2025 (Unaudited) AED '000
<b>Profit after tax for the period</b>	<b>121,758</b>	101,510
<b>Other comprehensive (loss) / income:</b>		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Net fair value (losses)/gain on revaluation of equity investments designated at FVTOCI - net of tax	(25,842)	20,358
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Finance income/(expense) from insurance contracts issued	63	(6,034)
Finance (expense)/income from reinsurance contracts held	(2,681)	4,042
Net fair value (losses)/gains on revaluation of debt investments at FVTOCI	(810)	163
<b>Total other comprehensive (loss) / income for the period</b>	<b>(29,270)</b>	18,529
<b>Total comprehensive income for the period</b>	<b>92,488</b>	120,039
<b>Attributable to:</b>		
Owners of the Company	92,120	119,756
Non-controlling interests	368	283
	<b>92,488</b>	120,039

# SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES



## Condensed consolidated interim statement of changes in equity

	Share capital AED'000	Other reserves AED'000	Cumulative changes in fair value of securities AED'000	Finance income and expenses reserve AED'000	Retained earnings AED'000	Net equity attributable to the owners of the Company AED'000	Non-controlling interests AED'000	Total equity AED'000
At 31 December 2024 (Audited)	461,872	1,539,239	(47,462)	11,917	1,015,414	2,980,980	12,676	2,993,656
Profit for the period	-	-	-	-	101,199	101,199	311	101,510
Other comprehensive income/(loss) for the period	-	-	20,549	(1,992)	-	18,557	(28)	18,529
Total comprehensive income/(loss) for the period	-	-	20,549	(1,992)	101,199	119,756	283	120,039
Transfer to reinsurance regulatory reserve (note 11)	-	4,949	-	-	(4,949)	-	-	-
Transfer to retained earnings on disposal of investments at FVTOCI	-	-	(580)	-	580	-	-	-
Cash dividend (note 23)	-	-	-	-	(92,374)	(92,374)	-	(92,374)
At 31 March 2025 (Unaudited)	461,872	1,544,188	(27,493)	9,925	1,019,870	3,008,362	12,959	3,021,321
<b>At 31 December 2025 (Audited)</b>	<b>461,872</b>	<b>1,558,904</b>	<b>35,841</b>	<b>8,042</b>	<b>1,292,614</b>	<b>3,357,273</b>	<b>14,406</b>	<b>3,371,679</b>
Profit for the period	-	-	-	-	121,326	121,326	432	121,758
Other comprehensive loss for the period	-	-	(26,588)	(2,618)	-	(29,206)	(64)	(29,270)
<b>Total comprehensive (loss)/income for the period</b>	<b>-</b>	<b>-</b>	<b>(26,588)</b>	<b>(2,618)</b>	<b>121,326</b>	<b>92,120</b>	<b>368</b>	<b>92,488</b>
Transfer to contingency reserve (note 11)	-	146	-	-	(146)	-	-	-
Transfer to reinsurance regulatory reserve (note 11)	-	5,734	-	-	(5,734)	-	-	-
Transfer to retained earnings on disposal of investments at FVTOCI	-	-	(2,324)	-	2,324	-	-	-
Cash dividend (note 23)	-	-	-	-	(115,468)	(115,468)	-	(115,468)
At 31 March 2026 (Unaudited)	461,872	1,564,784	6,929	5,424	1,294,916	3,333,925	14,774	3,348,699

The accompanying notes form an integral part of this condensed consolidated interim financial information.

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Condensed consolidated interim statement of cash flows

	For the three month period ended 31 March	
	2026 (Unaudited) AED '000	2025 (Unaudited) AED '000
<b>Cash flows from operating activities</b>		
Profit before tax for the period	141,745	114,765
<b>Adjustments for:</b>		
Depreciation	5,817	6,038
Provision for employees' end of service benefits	1,827	1,467
Allowance/(release) for impairment of financial investments at amortised cost	178	(18)
Allowance for impairment of bank balances and deposits	92	332
Dividend income from financial investments at FVTPL and FVTOCI	(24,743)	(28,265)
Interest income from financial assets	(53,362)	(45,267)
Net accretion of financial assets measured at amortised cost	(992)	(1,881)
Realised gains on sale of financial investments at FVTOCI	(162)	-
Realised gains on sale of financial investments at amortised cost	(251)	(115)
Finance cost	885	1,075
Interest expense on lease liabilities	174	162
Other investment expenses	1,455	4,100
Rental income from investment properties	(2,908)	(2,849)
<b>Operating cash flows before changes in working capital and payment of employees' end of service benefits and income tax</b>	<b>69,755</b>	<b>49,544</b>
<b>Changes in working capital</b>		
Changes in insurance and reinsurance contract assets/liabilities	315,333	(80,657)
Decrease in prepayment and other receivables	278	133,902
(Decrease)/increase in other payables	(117,169)	34,123
Decrease in unit linked investments	56,815	61,585
Decrease in investment contract liabilities	(54,270)	(58,369)
<b>Net cash generated from operations</b>	<b>270,742</b>	<b>140,128</b>
Employees' end of service benefits paid	(2,166)	(116)
Income tax paid	(2,285)	-
<b>Net cash generated from operating activities</b>	<b>266,291</b>	<b>140,012</b>
<b>Cash flows from investing activities</b>		
Purchases of financial investments at FVTOCI	(87,533)	(123,527)
Proceeds from sale of financial investments at FVTOCI	58,163	30,184
Proceeds from disposals/maturities of financial investments at amortised cost	121,276	43,815
Purchases of financial investments at amortised cost	(239,701)	(91,435)
Dividend received from financial investments at FVTPL and FVTOCI	7,546	20,482
Interest received from deposits and financial investments	48,355	45,797
Rental income received from investment properties	2,837	2,902
Other investment expenses paid	(3,829)	(3,859)
Purchase of property and equipment	(5,707)	(1,002)
(Increase)/decrease in term deposits with original maturities of more than three months	(46,378)	34,486
Increase in statutory deposits	(314)	(467)
<b>Net cash used in investing activities</b>	<b>(145,285)</b>	<b>(42,624)</b>

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

Condensed consolidated interim statement of cash flows (continued)

	<b>For the three month period ended</b>	
	<b>31 March</b>	
	<b>2026</b>	<b>2025</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>AED '000</b>	<b>AED '000</b>
<b>Cash flows from financing activities</b>		
Dividend paid	<b>(115,468)</b>	(92,374)
Interest element of lease payments	<b>(16)</b>	(123)
Principal element of lease payments	<b>(201)</b>	(1,350)
Finance costs paid	<b>-</b>	(1,057)
<b>Cash used in financing activities</b>	<b>(115,685)</b>	(94,904)
<b>Net increase in cash and cash equivalents</b>	<b>5,321</b>	2,484
Cash and cash equivalents at the beginning of the period	<b>415,699</b>	332,441
<b>Cash and cash equivalents at the end of the period (note 14)</b>	<b>421,020</b>	334,925

For the purpose of the condensed consolidated interim statement of cash flows, cash and cash equivalents are before the allowance for impairment as disclosed in note 14.

# SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

## Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026

### 1 General information

Sukoon Insurance P.J.S.C. (the "Company" or "Sukoon") is a public joint stock company, which was established by an Amiri Decree issued by His Highness, The Ruler of Dubai. The Company is subject to the regulations of the UAE Federal Decree Law No. (6) of 2025 regarding the Central Bank, Regulation of Financial Institutions and Activities, and Insurance Business and is registered in the Insurance Companies Register of the Central Bank of the UAE ("CBUAE") (formerly, the UAE Insurance Authority ("IA") under registration number 9. The Company is a subsidiary of Mashreq Bank (PSC) which is incorporated in the Emirate of Dubai. The Company's registered head office is at P.O. Box 5209, Dubai, United Arab Emirates. The Group comprises Sukoon Insurance P.J.S.C. and its subsidiaries (note 3.3). The Company's ordinary shares are listed on the Dubai Financial Market ("DFM"), United Arab Emirates.

The licensed activities of the Company are issuing short term and long term insurance contracts and trading in securities. The insurance contracts are issued in connection with property, engineering, energy, motor, aviation, medical, marine risks, personal accident, individual life (participating and non-participating), group life, credit life and investment linked products.

The Company also operates in the Sultanate of Oman, State of Qatar, England and Wales, the United Kingdom.

### 2 Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards) ('IFRS')

#### 2.1 New and revised IFRS adopted in the condensed consolidated interim financial information

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after 1 January 2026, have been adopted in this condensed consolidated interim financial information. The application of these revised IFRS Accounting Standards, did not have any material impact on the amounts reported for the current and prior periods.

<u><i>New and revised IFRSs</i></u>	<u><i>Effective for annual periods beginning on or after</i></u>
IFRS 9 and IFRS 7— Amendment regarding the classification and measurement of financial instrument	1 January 2026
IFRS 9 and IFRS 7— Contracts referencing nature-dependent electricity	1 January 2026
Annual improvements to IFRS Accounting Standards	1 January 2026

#### 2.2 New and revised IFRS in issue but not yet effective and not early adopted

<u><i>New and revised IFRS</i></u>	<u><i>Effective for annual periods beginning on or after</i></u>
IFRS 18 — Presentation and Disclosure in Financial Statements	1 January 2027, earlier application is permitted
IFRS 19 — Subsidiaries without Public Accountability: Disclosures	1 January 2027, earlier application is permitted

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 2 Application of new and revised International Financial Reporting Standards (IFRS Accounting Standards) ('IFRS') (continued)

##### 2.2 New and revised IFRS in issue but not yet effective and not early adopted (continued)

<u>New and revised IFRS</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027, earlier application is permitted
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to Translation to a Hyperinflationary Presentation Currency	1 January 2027, earlier application is permitted
Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Joint Ventures (2011)	Effective date deferred indefinitely. Adoption is still permitted.

The Group is currently assessing the impact of these standards, interpretations and amendments on the future consolidated financial statements and intends to adopt these, if applicable, when they become effective.

#### 3 Summary of material accounting policy information

##### 3.1 Basis of preparation

This condensed consolidated interim financial information for the three month period ended 31 March 2026 has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") issued by the International Accounting Standards Board ("IASB") and also complies with the applicable requirements of the laws in the U.A.E.

The condensed consolidated interim financial information is presented in Arab Emirates Dirham ("AED") and all values are rounded to nearest thousand ("AED'000") except when otherwise indicated.

This condensed consolidated interim financial information has been prepared on the historical cost basis, except for the revaluation of financial investments measured at fair value through profit or loss, financial investments measured at fair value through other comprehensive income, investment properties measured at fair value and insurance and reinsurance contract assets & liabilities which are not measured under historical cost basis and the provision for employees' end of service indemnity which is measured in accordance with U.A.E labour laws.

The Group presents its condensed consolidated statement of financial position broadly in order of liquidity, with a distinction based on expectations regarding recovery or settlement within twelve months after the reporting date (current) and more than twelve months after the reporting date (non-current).

This condensed consolidated interim financial information does not include all the information required for full annual consolidated financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements as at and for the year ended 31 December 2025. In addition, results for the three month period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

##### 3.2 Material accounting policy information

The accounting policies, including those pertaining to financial assets, property and equipment and investment properties, applied by the Group in the preparation of the condensed consolidated interim financial information are consistent with those applied by the Group in the annual consolidated financial statements for the year ended 31 December 2025.

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 3 Summary of material accounting policy information (continued)

##### 3.3 Basis of consolidation

The condensed consolidated interim financial information of Sukoon Insurance P.J.S.C. and its subsidiaries (the "Group") incorporate the financial information of the Company and the entities controlled by the Company (its subsidiaries).

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the condensed consolidated interim income statement and condensed consolidated interim statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

##### *Changes in ownership interests*

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 3 Summary of material accounting policy information (continued)

##### 3.3 Basis of consolidation (continued)

The table below represents the legal ownership of subsidiaries as at 31 March 2026 and 31 December 2025:

Name of subsidiary	Place of incorporation and operation	Proportion of legal ownership interest		Proportion of voting power held	Principal activity
		At 31 March 2026	At 31 December 2025		
Equator Insurance Agency L.L.C.	Dubai - UAE	99.97%	99.97%	100%	Insurance agency.
Synergize Services FZ L.L.C.	Dubai - UAE	100%	100%	100%	Management information technology and transaction processing.
OIC Corporate Member Limited	England and Wales - United Kingdom	100%	100%	100%	A limited liability underwriting member of Lloyd's
Oman Insurance Management Services Limited	Dubai - UAE	100%	100%	100%	Insurance management company
Sukoos Workplace Savings Solutions Limited	Dubai - UAE	100%	100%	100%	Acting as an administrator of an employee money purchase scheme
Sukoos Takaful P.J.S.C.	Dubai - UAE	94.66%	94.66%	94.66%	General and life takaful insurance

#### 4 Critical accounting judgements and key sources of estimation of uncertainty

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

#### 5 Risk management

The Group's insurance and financial risk management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements as at and for the year ended 31 December 2025. There have been no changes in any risk management policies since the year end. The Group is in compliance with the applicable solvency and capital requirements issued by the CBUAE (formerly, the IA).

The heightened tensions in the Middle East have created regional uncertainty. Given the rapidly evolving nature of the situation, it is not currently possible to reliably quantify any potential financial impact, whether adverse or favourable. Accordingly, no adjustments have been made to the financial statements as of the reporting date. Management will continue to monitor developments and assess potential implications for operations, financial position, and performance.

##### 5.1 Capital Management

The Group's objectives when managing capital are i) to comply with the insurance capital requirements required by the regulators of the insurance industry where the entities within the Group operate, ii) to protect its policy holders' interests, iii) to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for the shareholders and benefits for other stakeholders; and iv) to provide an adequate return to the shareholders by pricing insurance contracts commensurately with the level of risk.

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 5 Risk management (continued)

##### 5.1 Capital Management (continued)

Section 2 of the Financial Regulations for Insurance Companies (the “Regulations”) issued by the CBUAE (formerly, the IA) identifies the required solvency margin to be held in addition to insurance liabilities. The solvency margin must be maintained at all times throughout the year. The Group is subject to the Regulations which has been complied with during the period/year. The Group has incorporated in its policies and procedures the necessary tests to ensure continuous and full compliance with these Regulations.

The table below summarises the Minimum Capital Requirement, Minimum Guarantee Fund and Solvency Capital Requirement of the Group and the total capital held to meet these solvency margins as defined in the Regulations. In accordance with Circular No. CBUAE/BIS/2025/6143 of CBUAE dated 12 November 2025, the Group has disclosed the solvency position for the immediately preceding period as the current period solvency position is not yet finalised.

	<b>At 31 December 2025 (Unaudited) AED '000</b>
Minimum Capital Requirement (MCR)	<b>100,000</b>
Solvency Capital Requirement (SCR)	<b>1,113,085</b>
Minimum Guarantee Fund (MGF)	<b>778,276</b>
Own Funds:	
Basic Own Funds	<b>2,945,653</b>
Minimum Capital Requirement Surplus (over MCR)	<b>2,845,653</b>
Minimum Capital Requirement Surplus (over SCR)	<b>1,832,568</b>
Minimum Capital Requirement Surplus (over MGF)	<b>2,167,377</b>

Based on the regulatory requirements, the minimum regulatory capital required is AED 100 million as at 31 March 2026 and 31 December 2025 against which the paid-up capital of the Company is AED 462 million.

#### 6 Financial investments

The Group's financial investments at the end of the reporting period are detailed below.

	<b>At 31 March 2026 (Unaudited) AED '000</b>	At 31 December 2025 (Audited) AED '000
At fair value through profit or loss	<b>1,126,244</b>	1,183,059
At fair value through other comprehensive income	<b>1,199,324</b>	1,195,201
At amortised cost	<b>3,237,670</b>	3,114,028
Less: allowance for impairment on investments at amortised cost	<b>(1,587)</b>	(1,409)
	<b><u>5,561,651</u></b>	<u>5,490,879</u>

The fair value of the quoted debt instruments held at amortised cost as at 31 March 2026 amounted to AED 3,080,263 thousand (31 December 2025: AED 3,063,618 thousand). These bonds carry coupon rates of 1.38% to 9.4% (31 December 2025: 0.9% to 9.4%) per annum.

As part of SIAB arrangement, Sukoon on behalf of ‘OIC Corporate Member Limited’ has pledged certain bonds having nominal value of USD 123,160 thousand (equivalent to AED 452,305 thousand) to be held at Lloyd’s deposit with the beneficial ownership remaining with Sukoon Insurance P.J.S.C. The net book value of these bonds was AED 469,785 thousand as at 31 March 2026 (31 December 2025: AED 467,411 thousand).

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

Notes to the condensed consolidated interim financial information  
for the three month period ended 31 March 2026 (continued)

### 7 Insurance contract assets and liabilities

#### Reconciliation of the liability for remaining coverage and the liability for incurred claims

	LRC		LIC for contracts not under PAA AED '000	LIC for contracts under PAA		Total AED '000
	Excluding loss component AED '000	Loss component AED '000		Present value of future cash flows AED '000	Risk adjustment for non-fin-risk AED '000	
Opening insurance contract liabilities	1,543,950	19,147	7,894	3,773,252	225,042	5,569,285
Opening insurance contract assets	(8,695)	-	-	2,063	115	(6,517)
<b>Net balance as at 1 January 2026 (Audited)</b>	<b>1,535,255</b>	<b>19,147</b>	<b>7,894</b>	<b>3,775,315</b>	<b>225,157</b>	<b>5,562,768</b>
<b>Insurance revenue</b>	<b>(1,731,490)</b>	-	-	-	-	<b>(1,731,490)</b>
<b>Insurance service expenses</b>						
Incurred claims and other directly attributable expenses	-	(251)	9,114	1,164,680	42,931	1,216,474
Changes that relate to past service -adjustments to the LIC	-	-	-	(156,420)	(36,279)	(192,699)
Losses on onerous contracts and reversal of those losses	-	669	-	-	-	669
Insurance acquisition cash flows amortization	197,043	-	-	-	-	197,043
<b>Insurance service expenses</b>	<b>197,043</b>	<b>418</b>	<b>9,114</b>	<b>1,008,260</b>	<b>6,652</b>	<b>1,221,487</b>
<b>Insurance service result</b>	<b>(1,534,447)</b>	<b>418</b>	<b>9,114</b>	<b>1,008,260</b>	<b>6,652</b>	<b>(510,003)</b>
Finance (income)/expenses from insurance contracts issued	(119)	28	-	38,862	2,269	41,040
<b>Total amounts recognised in comprehensive income</b>	<b>(1,534,566)</b>	<b>446</b>	<b>9,114</b>	<b>1,047,122</b>	<b>8,921</b>	<b>(468,963)</b>
Investment components	(3,782)	-	3,782	-	-	-
<b>Cash flows</b>						
Premiums received	1,563,220	-	-	-	-	1,563,220
Claims and other directly attributable expenses paid	-	-	(12,878)	(848,651)	-	(861,529)
Insurance acquisition cash flows	(189,702)	-	-	-	-	(189,702)
<b>Total cash flows</b>	<b>1,373,518</b>	-	<b>(12,878)</b>	<b>(848,651)</b>	-	<b>511,989</b>
<b>Net balance as at 31 March 2026 (Unaudited)</b>	<b>1,370,425</b>	<b>19,593</b>	<b>7,912</b>	<b>3,973,786</b>	<b>234,078</b>	<b>5,605,794</b>
Closing insurance contract liabilities	1,375,938	19,588	7,912	3,971,505	233,862	5,608,805
Closing insurance contract assets	(5,513)	5	-	2,281	216	(3,011)
<b>Net balance as at 31 March 2026 (Unaudited)</b>	<b>1,370,425</b>	<b>19,593</b>	<b>7,912</b>	<b>3,973,786</b>	<b>234,078</b>	<b>5,605,794</b>

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 7 Insurance contract assets and liabilities (continued)

#### Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	LRC		LIC for contracts not under PAA AED '000	LIC for contracts under PAA		Total AED '000
	Excluding loss component AED '000	Loss component AED '000		Present value of future cash flows AED '000	Risk adjustment for non-fin-risk AED '000	
	Opening insurance contract liabilities	1,162,685		22,700	4,782	
Opening insurance contract assets	(40,661)	-	-	33,564	2,230	(4,867)
Net balance as at 1 January 2025 (Audited)	1,122,024	22,700	4,782	3,786,799	263,538	5,199,843
Insurance revenue	(6,389,447)	-	-	-	-	(6,389,447)
Insurance service expenses						
Incurred claims and other directly attributable expenses	-	(1,113)	23,885	4,234,249	93,775	4,350,796
Changes that relate to past service - adjustments to the LIC	-	-	-	(131,670)	(141,797)	(273,467)
Losses on onerous contracts and reversal of those losses	-	(2,588)	-	-	-	(2,588)
Insurance acquisition cash flows amortisation	710,079	-	-	-	-	710,079
Insurance service expenses	710,079	(3,701)	23,885	4,102,579	(48,022)	4,784,820
Insurance service result	(5,679,368)	(3,701)	23,885	4,102,579	(48,022)	(1,604,627)
Finance expenses from insurance contracts issued	480	148	-	135,203	9,641	145,472
Total amounts recognised in comprehensive income	(5,678,888)	(3,553)	23,885	4,237,782	(38,381)	(1,459,155)
Investment components	(18,384)	-	18,384	-	-	-
Cash flows						
Premiums received	6,810,443	-	-	-	-	6,810,443
Claims and other directly attributable expenses paid	-	-	(39,157)	(4,249,266)	-	(4,288,423)
Insurance acquisition cash flows	(699,940)	-	-	-	-	(699,940)
Total cash flows	6,110,503	-	(39,157)	(4,249,266)	-	1,822,080
Net balance as at 31 December 2025 (Audited)	1,535,255	19,147	7,894	3,775,315	225,157	5,562,768
Closing insurance contract liabilities	1,543,950	19,147	7,894	3,773,252	225,042	5,569,285
Closing insurance contract assets	(8,695)	-	-	2,063	115	(6,517)
Net balance as at 31 December 2025 (Audited)	1,535,255	19,147	7,894	3,775,315	225,157	5,562,768

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 8 Reinsurance contracts assets and liabilities

##### Reconciliation of changes in reinsurance contracts held by remaining coverage and incurred claims

	ARC excluding	ARC	AIC for	AIC for contracts under PAA		Total
	loss-recovery component	loss-recovery component	contracts not under PAA	Present value of future cash flows	Risk adj. for non- financial risk	
	AED '000	AED '000	AED '000	AED '000	AED '000	AED '000
Opening reinsurance contract liabilities	(31,318)	214	-	10,234	620	(20,250)
Opening reinsurance contract assets	394,465	5,959	6,439	2,669,030	166,860	3,242,753
<b>Net balance as at 1 January 2026 (Audited)</b>	<b>363,147</b>	<b>6,173</b>	<b>6,439</b>	<b>2,679,264</b>	<b>167,480</b>	<b>3,222,503</b>
<b>Net (expense)/income from reinsurance contracts held</b>						
Reinsurance expenses	(864,608)	(1,784)	-	-	-	(866,392)
Incurred claims recovery	-	-	3,009	760,773	32,049	795,831
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	-	-	-	(284,334)	(41,474)	(325,808)
Income on initial recognition of onerous underlying contracts	-	11	-	-	-	11
Reversal of a loss recovery component other than changes in FCF for RI contracts held	-	(193)	-	-	-	(193)
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-	1,743	-	-	-	1,743
Effect of changes in risk of reinsurers' non-performance	-	-	-	(73)	(6)	(79)
<b>Net (expense)/income from reinsurance contracts held</b>	<b>(864,608)</b>	<b>(223)</b>	<b>3,009</b>	<b>476,366</b>	<b>(9,431)</b>	<b>(394,887)</b>
Finance income from reinsurance contracts held	85	41	-	28,679	1,770	30,575
<b>Total amounts recognised in comprehensive income</b>	<b>(864,523)</b>	<b>(182)</b>	<b>3,009</b>	<b>505,045</b>	<b>(7,661)</b>	<b>(364,312)</b>
<b>Cash flows</b>						
Premiums paid net of ceding commissions	692,996	-	-	-	-	692,996
Recoveries from reinsurance	-	-	(3,500)	(600,109)	-	(603,609)
<b>Total cash flows</b>	<b>692,996</b>	<b>-</b>	<b>(3,500)</b>	<b>(600,109)</b>	<b>-</b>	<b>89,387</b>
<b>Net balance as at 31 March 2026 (Unaudited)</b>	<b>191,620</b>	<b>5,991</b>	<b>5,948</b>	<b>2,584,200</b>	<b>159,819</b>	<b>2,947,578</b>
Closing reinsurance contract liabilities	(65,923)	22	-	24,846	1,121	(39,934)
Closing reinsurance contract assets	257,543	5,969	5,948	2,559,354	158,698	2,987,512
<b>Net balance as at 31 March 2026 (Unaudited)</b>	<b>191,620</b>	<b>5,991</b>	<b>5,948</b>	<b>2,584,200</b>	<b>159,819</b>	<b>2,947,578</b>

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 8 Reinsurance contracts assets and liabilities (continued)

#### Reconciliation of changes in reinsurance contracts held by remaining coverage and incurred claims (continued)

	ARC excluding loss-recovery component AED '000	ARC loss- recovery component AED '000	AIC for contracts not under PAA AED '000	AIC for contracts under PAA		Total AED '000
				Present value of future cash flows AED '000	Risk adj. for non- financial risk AED '000	
Opening reinsurance contract liabilities	(18,549)	35	-	5,572	349	(12,593)
Opening reinsurance contract assets	247,577	5,330	3,673	2,926,926	208,235	3,391,741
Net balance as at 1 January 2025 (Audited)	229,028	5,365	3,673	2,932,498	208,584	3,379,148
Net income/(expense) from reinsurance contracts held						
Reinsurance expenses	(3,374,855)	(679)	-	-	-	(3,375,534)
Incurred claims recovery	-	-	3,509	2,161,612	64,128	2,229,249
Changes that relate to past service-changes in the FCF relating to incurred claims recovery	-	-	-	(86,034)	(112,632)	(198,666)
Income on initial recognition of onerous underlying contracts	-	1,446	-	-	-	1,446
Reversal of a loss recovery component other than changes in FCF for RI contracts held	-	(869)	-	-	-	(869)
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	-	686	-	-	-	686
Effect of changes in risk of reinsurers' non-performance	-	-	-	(219)	(34)	(253)
Net (expense)/income from reinsurance contracts held	(3,374,855)	584	3,509	2,075,359	(48,538)	(1,343,941)
Finance income from reinsurance contracts held	422	224	-	103,525	7,434	111,605
Total amounts recognised in comprehensive income	(3,374,433)	808	3,509	2,178,884	(41,104)	(1,232,336)
Cash flows						
Premiums paid net of ceding commissions	3,508,552	-	-	-	-	3,508,552
Recoveries from reinsurance	-	-	(743)	(2,432,118)	-	(2,432,861)
Total cash flows	3,508,552	-	(743)	(2,432,118)	-	1,075,691
Net balance as at 31 December 2025 (Audited)	363,147	6,173	6,439	2,679,264	167,480	3,222,503
Closing reinsurance contract liabilities	(31,318)	214	-	10,234	620	(20,250)
Closing reinsurance contract assets	394,465	5,959	6,439	2,669,030	166,860	3,242,753
Net balance as at 31 December 2025 (Audited)	363,147	6,173	6,439	2,679,264	167,480	3,222,503

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 9 Prepayments and other receivables

	At 31 March 2026 (Unaudited) AED '000	At 31 December 2025 (Audited) AED '000
Accrued income	4,906	4,311
Prepayments	22,878	21,588
Staff debtors and allowances	5,036	4,905
Other receivables (net of expected credit losses)	306,245	291,216
	<b>339,065</b>	<b>322,020</b>

#### 10 Share capital

	At 31 March 2026 (Unaudited) AED '000	At 31 December 2025 (Audited) AED '000
Authorised, issued and fully paid 461,872,125 shares of AED 1 each (31 December 2025: 461,872,125 shares of AED 1 each)	<b>461,872</b>	461,872

#### 11 Other reserves

	Statutory reserve AED '000	Strategic reserve AED '000	General reserve AED '000	Contingency reserve AED '000	Reinsurance regulatory reserve AED '000	Total AED '000
At 1 January 2025 (Audited)	230,936	303,750	933,051	20,606	50,896	1,539,239
Transfer from retained earnings	-	-	-	-	4,949	4,949
At 31 March 2025 (Unaudited)	230,936	303,750	933,051	20,606	55,845	1,544,188
<b>At 1 January 2026 (Audited)</b>	<b>230,936</b>	<b>303,750</b>	<b>933,051</b>	<b>21,830</b>	<b>69,337</b>	<b>1,558,904</b>
Transfer from retained earnings	-	-	-	146	5,734	5,880
<b>At 31 March 2026 (Unaudited)</b>	<b>230,936</b>	<b>303,750</b>	<b>933,051</b>	<b>21,976</b>	<b>75,071</b>	<b>1,564,784</b>

In accordance with Article 10 (bis) (2) (c) and 10 (bis) (3)(b) of Regulations for Implementing Insurance Companies Law (Ministerial Order 5/80), as amended, of Sultanate of Oman, 10% of the net outstanding claims in case of the general insurance business and 1% of the gross life assurance premiums for the year in case of life insurance business at the end of the reporting period is transferred from retained earnings to a contingency reserve until the provision is equal to RO 5 million.

In accordance with Article 34 of the CBUAE's Board of Directors Decision No. (23) of 2019, the Group has transferred to the reinsurance regulatory reserve AED 5,734 thousand for the three month period ended 31 March 2026 (31 March 2025: AED 4,949 thousand), being 0.5% of the total reinsurance premiums ceded by the Group in the United Arab Emirates in all classes of business. The Group shall accumulate such provision year on year and not dispose of the provision without the written approval of the Governor of the CBUAE.

#### 12 Bank borrowings

	At 31 March 2026 (Unaudited) AED '000	At 31 December 2025 (Audited) AED '000
Short term bank loans	<b>86,000</b>	86,000

Short term bank loans are secured by assignment of certain bonds in favor of financial institutions. These loans carry a fixed interest rate of 4.12% per annum. (31 December 2025: 4.12% per annum). Short term loans are utilised for Group's operational activities.

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 13 Earnings per share

	<b>For the three month period ended 31 March</b>	
	<b>2026</b> (Unaudited)	<b>2025</b> (Unaudited)
Profit for the period attributable to the owners of the Company (AED '000)	<b>121,326</b>	101,199
Weighted average number of shares	<b>461,872,125</b>	461,872,125
Basic and diluted earnings per share (AED)	<b>0.26</b>	0.22

Basic earnings per share are calculated by dividing the profit for the period attributable to the owners of the Company by the number of weighted average shares outstanding at the end of the reporting period. Diluted earnings per share is equivalent to basic earnings per share as the Company did not issue any new instrument that would impact earnings per share when executed.

#### 14 Cash and cash equivalents

	<b>At 31 March 2026</b> (Unaudited) AED '000	At 31 March 2025 (Unaudited) AED '000
Deposits with banks maturing within three months	<b>144,956</b>	158,565
Current accounts and cash	<b>276,064</b>	176,360
<b>Cash and cash equivalents for the purpose of the condensed consolidated interim statement of cash flows</b>	<b>421,020</b>	334,925
Less: allowance for impairment	<b>(524)</b>	(613)
<b>Cash and cash equivalents</b>	<b>420,496</b>	334,312

The interest rates on fixed deposits and call accounts with banks range from 0.6% to 5.9% (31 December 2025: 0.6% to 5.9%) per annum. Certain bank balances and deposits with carrying amount of AED 1,627 thousand at 31 March 2026 (31 December 2025: AED 12,935 thousand) are subject to lien in respect of guarantees.

#### 15 Insurance revenue

The following table presents an analysis of insurance revenue recognised in the period.

	<b>For the three month period ended 31 March</b>	
	<b>2026</b> (Unaudited) AED '000	<b>2025</b> (Unaudited) AED '000
Amounts relating to changes in the LRC:		
- Expected incurred claims and other directly attributable expenses	<b>8,140</b>	5,206
- Change in risk adjustment for non-financial risk for the risk expired	<b>310</b>	182
- CSM recognised for the services provided	<b>1,597</b>	1,433
Insurance acquisition cash flow recovery	<b>3,492</b>	3,454
<b>Contracts not measured under PAA</b>	<b>13,539</b>	10,275
<b>Contracts measured under PAA</b>	<b>1,717,951</b>	1,483,738
<b>Total insurance revenue</b>	<b>1,731,490</b>	1,494,013

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 16 Related party balances and transactions

Related parties include the Group's major Shareholders, Directors and businesses controlled by them and their families over which they exercise significant management influence as well as key management personnel.

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

	At 31 March 2026 (Unaudited) AED'000	At 31 December 2025 (Audited) AED'000
<i>Balances with a Major shareholder:</i>		
Cash and cash equivalents	76,051	1,442
Financial investments	155,747	182,182
Statutory deposits	10,000	10,000
Bank borrowings	86,000	86,000
<i>Due from/(to) a Major shareholder:</i>		
Net insurance receivables	13,290	12,025
Net insurance and other payables	(1,760)	(653)
<i>Due from/(to) Directors and businesses over which they exercise significant management influence:</i>		
Net insurance receivables	6,923	5,634
Net insurance and other payables	(2,221)	(2,091)

#### 16.2 Transactions with related parties:

	For the three month period ended 31 March	
	2026 (Unaudited) AED '000	2025 (Unaudited) AED '000
<i>Transactions arising from insurance contracts with a Major shareholder:</i>		
Insurance premiums	30,148	22,137
Claims settled	(16,362)	(12,144)
<i>Other transactions with a Major shareholder:</i>		
Interest income	201	347
Dividend income	6,179	12,782
Other expenses	(2,107)	(1,347)
Rental expense	(1,823)	(1,781)
<i>Transactions arising from insurance contracts with Directors and businesses over which they exercise significant management influence:</i>		
Insurance premiums	6,506	10,951
Claims settled	(2,364)	(2,960)
<i>Other transactions with Directors and businesses over which they exercise significant management influence:</i>		
Other investment expenses	(1,704)	(1,649)

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 16 Related party balances and transactions (continued)

The Group has entered into the above transactions with the related parties which were made on substantially the same terms as those prevailing at the same time for the comparable transactions with third parties.

#### 16.3 Compensation of key management personnel

	For the three month period ended 31 March	
	2026 (Unaudited) AED '000	2025 (Unaudited) AED '000
Board of directors' remuneration	(562)	(512)
Salaries and benefits	(4,763)	(5,206)
End of service benefits	(114)	(215)
	<u>(5,439)</u>	<u>(5,933)</u>

#### 17 Contingent liabilities

As at 31 March 2026, the Group had contingent liabilities in respect of bank guarantees and other matters arising in the ordinary course of business amounting to AED 55 million (31 December 2025: AED 59 million).

The Group, in common with the significant majority of insurers, is subject to litigation in the normal course of its business. The Group, based on independent legal advice, does not expect that the outcome of these court cases will have a material impact on the Group's condensed consolidated interim financial performance or condensed consolidated interim financial position.

#### 18 Commitments

	At 31 March 2026 (Unaudited) AED '000	At 31 December 2025 (Audited) AED '000
Commitments in respect of uncalled subscription of financial investments	<u>46,363</u>	<u>48,032</u>
Capital commitments towards acquisitions of property and equipment	<u>19,642</u>	<u>21,192</u>

#### 19 Location of assets

Geographical locations of assets are disclosed below:

	At 31 March 2026 (Unaudited)			At 31 December 2025 (Audited)		
	Inside UAE AED '000	Outside UAE AED '000	Total AED '000	Inside UAE AED '000	Outside UAE AED '000	Total AED '000
Property and equipment	121,589	53	121,642	121,607	145	121,752
Investment properties	183,935	-	183,935	183,935	-	183,935
Statutory deposits	61,093	138,482	199,575	60,708	138,553	199,261
Financial investments at FVTOCI	499,762	699,562	1,199,324	551,952	643,249	1,195,201
Financial investments at FVTPL	38,220	1,088,024	1,126,244	28,211	1,154,848	1,183,059
Financial investments at amortised cost	1,359,190	1,876,893	3,236,083	1,322,940	1,789,679	3,112,619
Deposits with banks and cash and cash equivalents	1,274,283	343,805	1,618,088	1,283,046	282,457	1,565,503
	<u>3,538,072</u>	<u>4,146,819</u>	<u>7,684,891</u>	<u>3,552,399</u>	<u>4,008,931</u>	<u>7,561,330</u>

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 20 Segment information

For management purposes, the Group is organised into three business segments: general insurance including medical, life insurance and investments. The general insurance segment comprises property, engineering, energy, motor, general accident, aviation, marine and medical risks. The life insurance segment includes individual life (participating and non-participating), group life and personal accident as well as investment linked products. Investment comprises of investments (financial and non-financial) excluding unit linked investments.

#### 20.1 Segment results by operating segments

	For the three month period ended 31 March (Unaudited)					
	Non-Life insurance		Life insurance		Total	
	2026 AED '000	2025 AED '000	2026 AED '000	2025 AED '000	2026 AED '000	2025 AED '000
Insurance service result from insurance contracts issued	<b>487,715</b>	418,203	<b>22,288</b>	10,181	<b>510,003</b>	428,384
Net expense from reinsurance contracts held	<b>(381,527)</b>	(335,086)	<b>(13,360)</b>	(3,605)	<b>(394,887)</b>	(338,691)
Insurance service result	<b>106,188</b>	83,117	<b>8,928</b>	6,576	<b>115,116</b>	89,693
Net investment income					<b>80,532</b>	73,963
Net insurance finance expenses					<b>(7,847)</b>	(12,603)
General and administrative expenses					<b>(36,882)</b>	(28,723)
Board of directors' remuneration					<b>(562)</b>	(512)
Finance cost					<b>(885)</b>	(1,075)
Other expense - net					<b>(7,727)</b>	(5,978)
<b>Profit before tax</b>					<b>141,745</b>	114,765
Income tax expenses					<b>(19,987)</b>	(13,255)
<b>Profit after tax for the period</b>					<b>121,758</b>	101,510
<b>Attributable to:</b>						
Owners of the Company					<b>121,326</b>	101,199
Non-controlling interests					<b>432</b>	311
					<b>121,758</b>	101,510

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 20 Segment information (continued)

#### 20.2 Segment results by geographical distribution

	For the three month period ended 31 March (Unaudited)					
	GCC		Non GCC		Total	
	2026 AED '000	2025 AED '000	2026 AED '000	2025 AED '000	2026 AED '000	2025 AED '000
Insurance service result from insurance contracts issued	<b>506,745</b>	415,218	<b>3,258</b>	13,166	<b>510,003</b>	428,384
Net expense from reinsurance contracts held	<b>(376,901)</b>	(328,244)	<b>(17,986)</b>	(10,447)	<b>(394,887)</b>	(338,691)
Insurance service result	<b>129,844</b>	86,974	<b>(14,728)</b>	2,719	<b>115,116</b>	89,693
Net investment income	<b>79,335</b>	72,560	<b>1,197</b>	1,403	<b>80,532</b>	73,963
Net insurance finance (expenses)/income	<b>(9,755)</b>	(10,207)	<b>1,908</b>	(2,396)	<b>(7,847)</b>	(12,603)
General and administrative expenses	<b>(36,653)</b>	(27,873)	<b>(229)</b>	(850)	<b>(36,882)</b>	(28,723)
Board of directors' remuneration	<b>(562)</b>	(512)	-	-	<b>(562)</b>	(512)
Finance cost	<b>(885)</b>	(1,075)	-	-	<b>(885)</b>	(1,075)
Other (expense)/income - net	<b>(10,747)</b>	(2,634)	<b>3,020</b>	(3,344)	<b>(7,727)</b>	(5,978)
<b>Profit/(loss) before tax</b>	<b>150,577</b>	117,233	<b>(8,832)</b>	(2,468)	<b>141,745</b>	114,765
Income tax expenses	<b>(19,987)</b>	(13,255)	-	-	<b>(19,987)</b>	(13,255)
<b>Profit/(loss) after tax for the period</b>	<b>130,590</b>	103,978	<b>(8,832)</b>	(2,468)	<b>121,758</b>	101,510
<b>Attributable to:</b>						
Owners of the Company	<b>130,158</b>	103,667	<b>(8,832)</b>	(2,468)	<b>121,326</b>	101,199
Non-controlling interests	<b>432</b>	311	-	-	<b>432</b>	311
	<b>130,590</b>	103,978	<b>(8,832)</b>	(2,468)	<b>121,758</b>	101,510

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 20 Segment information (continued)

##### 20.3 Segment assets and liabilities by operating segments

At 31 March 2026 (Unaudited)

	Non-Life insurance AED '000	Life insurance AED '000	Investments AED '000	Total AED '000
Segment assets	<u>4,969,271</u>	<u>1,472,810</u>	<u>4,619,872</u>	<u>11,061,953</u>
Segment liabilities	<u>6,349,419</u>	<u>1,363,835</u>	<u>-</u>	<u>7,713,254</u>

At 31 December 2025 (Audited)

	Non-Life insurance AED '000	Life insurance AED '000	Investments AED '000	Total AED '000
Segment assets	<u>5,143,286</u>	<u>1,545,520</u>	<u>4,492,285</u>	<u>11,181,091</u>
Segment liabilities	<u>6,378,732</u>	<u>1,430,680</u>	<u>-</u>	<u>7,809,412</u>

#### 21 Fair value measurements

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

##### 21.1 Fair value of financial instruments carried at amortised cost

Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the condensed consolidated interim financial information approximate their fair values except for financial investments measured at amortised cost of which fair value is determined based on the quoted market prices and disclosed in note 6 of this condensed consolidated interim financial information.

##### 21.2 Fair value of financial items carried at fair value

###### 21.2.1 Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of assets and liabilities are determined using similar valuation techniques and assumptions as used in the audited annual consolidated financial statements for the year ended 31 December 2025.

**Notes to the condensed consolidated interim financial information  
for the three month period ended 31 March 2026 (continued)**

**21 Fair value measurements (continued)**

**21.2 Fair value of financial items carried at fair value (continued)**

**21.2.2 Fair value of the Group's financial assets and liabilities that are measured at fair value on recurring basis**

Some of the Group's financial assets and liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined:

	<b>Fair value as at</b>		<b>Fair value hierarchy</b>	<b>Valuation techniques and key inputs</b>	<b>Significant unobservable input</b>	<b>Relationship of unobservable inputs to fair value</b>
	<b>31 March 2026</b> <b>AED'000</b> <b>(Unaudited)</b>	<b>31 December 2025</b> <b>AED'000</b> <b>(Audited)</b>				
<b>Financial assets measured at FVTPL</b>						
Unit linked investments	<b>1,125,714</b>	1,182,529	Level 2	Quoted prices in a secondary market	None	Not applicable
Unquoted equity investments	<b>530</b>	530	Level 3	Net assets as per financial statements	EV/EBITDA Multiple	EV/EBITDA multiple for similar companies will directly impact the fair value calculation
<b>Financial assets measured at FVTOCI</b>						
Quoted equity investments	<b>789,157</b>	803,088	Level 1	Quoted bid prices in an active market	None	Not applicable
Quoted fund	<b>363,291</b>	341,911	Level 2	Quoted prices in a secondary market	None	Not applicable
Quoted bonds	<b>16,827</b>	20,594	Level 1	Quoted bid prices in an active market	None	Not applicable
Unquoted equity and private equity fund	<b>30,049</b>	29,608	Level 3	Multiple based approach and net assets as per financial statements	Price to book value multiple	Price to book value multiple for similar companies will directly impact the fair value calculation.
<b>Financial liabilities measured at FVTPL</b>						
Investment contract liabilities	<b>884,949</b>	939,219	Level 2	Quoted prices in a secondary market	None	Not applicable

There were no transfers between levels during the period. There are no other financial liabilities which should be categorised under any of the levels in the above table.

## SUKOON INSURANCE P.J.S.C. AND ITS SUBSIDIARIES

### Notes to the condensed consolidated interim financial information for the three month period ended 31 March 2026 (continued)

#### 21 Fair value measurements (continued)

##### 21.2 Fair value of financial items carried at fair value (continued)

##### 21.2.3 Reconciliation of level 3 fair value measurement of financial assets measured at FVTOCI

	At 31 March 2026 (Unaudited) AED '000	At 31 December 2025 (Audited) AED '000
Balance at the beginning of the period/year	29,608	28,336
Disposals during the period/year	-	(120)
Changes in fair value recognised in other comprehensive income	<u>441</u>	<u>1,392</u>
Balance at the end of the period/year	<u><u>30,049</u></u>	<u><u>29,608</u></u>

#### 22 Seasonality of results

Net investment income includes dividend income of AED 24,743 thousand for the three month period ended 31 March 2026 (31 March 2025: AED 28,265 thousand), which is of a seasonal nature.

#### 23 Dividends

At the Annual General Meeting held on 2 March 2026, the shareholders approved a cash dividend distribution of 25% of the share capital amounting to AED 115,468 thousand (AED 25 fils per share) for the year ended 31 December 2025 (At the Annual General Meeting held on 28 February 2025, the shareholders approved a cash dividend distribution of 20% of the share capital amounting to AED 92,374 thousand (AED 20 fils per share) for the year ended 31 December 2024).

#### 24 Other information

The Group established operations in Qatar on 6 January 2008 through an agency agreement entered with a local sponsor valid for an indefinite period. On 25 February 2019, the Qatar Central Bank ("QCB") did not accept the Group's application to open a foreign branch. Accordingly, the Group's management has taken the decision to no longer issue new policies in the State of Qatar. The Group will continue to service the existing policies as per the applicable conditions of the underlying contracts.

#### 25 Corporate income tax

The Group is in scope of Pillar Two legislation as it operates in jurisdictions that have enacted or substantively enacted Pillar Two legislation and its consolidated revenue exceeds Euro 750 million threshold.

The tax expense for the period ended 31 March 2026 is AED 19,987 thousand (31 March 2025: AED 13,255 thousand). The Effective Tax Rate ("ETR") of 14.1% (31 March 2025: 11.5%).

#### 26 Approval of the condensed consolidated interim financial information

The condensed consolidated interim financial information was approved and authorised for issue by the Board of Directors on 29 April 2026.