

Detailed analysis of accumulated losses

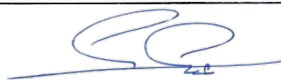
(If the accumulated losses 50% and above of the company's capital)

This form has been prepared in accordance with the disclosure requirements included in the SCA Board of Directors' Decision No. (32/R.M.) of 2019 concerning procedures for companies whose shares are listed on the market, and whose accumulated losses amount to (20%) or more of their paid-up capital. Listed Companies are required to comply with the provisions of the decision as soon as their accumulated losses reach (50%) or more of their paid-up capital.

Date:	17/07/2025
Name of the Listed Company:	Al Sagr National Insurance Company
Define the period of the financial statements:	2025 Q1 Quarter Financial Statements
Value of the Accumulated losses:	189,750,288
Accumulated losses to paid-up capital ratio (%):	82.5%
The main reasons for accumulated losses and the period in which these losses began. (Determine the period in which these losses began to appear in the company's financial statements):	<p>1. The main reasons for the accumulated losses:</p> <ul style="list-style-type: none"> - Decrease in market value of investments. - Additional reserves have been taken. - Increase in business costs. - The Motor department recorded a technical loss in 2024 due to extreme climate changes, which led to a significant increase in motor claims. <p>2. Losses began to appear in the result of the period ended on December 31, 2019</p>

Summary of the steps and initiatives undertaken by the company to address the accumulated losses:	<ul style="list-style-type: none"> To address the accumulated losses, the company adopted a series of administrative and technical measures, including revising its pricing strategy, enhancing underwriting practices, and tightening cost controls. These initiatives led to an improvement in the insurance service technical result for Q1 2025, with further progress anticipated in the coming quarters and a return to profitability expected by year-end. The company follows a conservative investment policy and accepts investment in low risks only. In 2024, the company utilized the statutory reserve to offset its accumulated losses.
The date on which the company's general assembly approved the plan for dealing with accumulated losses:	- The General Assembly held on 24/04/2024 approved the use of the full legal reserve to cover accumulated losses.

The Measures that will be taken to deal with the accumulated losses and the approved plan				
Actions	The time frame for implementing the action according to the approved plan	The implemented action and the percentage of implementation	Reasons for not implementing the action or delaying	Any modifications or changes made to the action
solvency recovery plan	One year	Central Bank approved the solvency recovery plan	-	

The Name of the Authorized Signatory	Abdel Muhsen Jaber
Designation	CEO
Signature and Date	17-07-2025 
Company's Seal	