

Chairman's Message

The Honored Shareholders of Gulf Insurance Group:

On behalf of my fellow board members, I am pleased to present the Gulf Insurance Group's annual report for 2024.

As one of the leading insurance groups in the Middle East and North Africa region, we remain committed to addressing the evolving needs of all our stakeholders. Our journey of achievements began more than 60 years ago, and we are determined to continue this path. Despite the numerous challenges we have faced across various sectors, we have successfully navigated these difficulties thanks to our prudent vision, flexible approach, and conservative strategic planning in managing our business.

Gulf Insurance Group is a leading brand in the insurance industry. The company continues to strengthen its position as one of the largest pioneers in the Middle East and North Africa (MENA) region. Gulf Insurance Group focuses on meeting the diverse and evolving needs of its customers while achieving the best outcomes for its shareholders, policyholders, and stakeholders. This commitment supports the prosperity and development of the insurance industry.

Continued Growth and Performance Despite Challenges:

- As 2024 begins, the world faces numerous challenges, including uncertainty surrounding interest rates, escalating geopolitical tensions in various regions, disruptions in global supply chains, and logistical difficulties affecting multiple industries. Despite these hurdles, Gulf Insurance Group has succeeded in maintaining steady growth and progress across its operations. This achievement is grounded in the highest standards of corporate governance, which has enabled the Group to manage its business flexibly and effectively. Collaboration with various stakeholders, including regulatory authorities and business partners in different regions, has been integral to navigating these global challenges.
- The Group also succeeded in completing many strategic divestments, mergers, and acquisitions at the level of a number of its subsidiaries and associates under the

highest standards of transparency and governance and in full compliance with the requirements of all regulatory authorities, in a manner that serves the Group's financial and operational objectives and strengthens its position in the markets in which it operates effectively.

- In this regard, I am pleased to proudly share with you the Group's achievements for the fiscal year ended on December 31, 2024, with:

— Insurance revenues of KD 846.6 million	— Total assets of KD 1.24 billion
— Net profit of KD 25.9 million	— Earnings of 80.17 per share
— Shareholders' equity of KD 242.6 million	— Dividends of 23 fils per share

Fairfax's acquisition of Gulf Insurance Group is Finalized:

- Fairfax Financial Holdings Limited is a financial services holding company that operates through its subsidiaries in property and casualty insurance, reinsurance, and investment management. Fairfax's objective is to achieve a high rate of return on invested capital and build long-term shareholder value.
- In 2023, after obtaining various regulatory approvals, Fairfax's acquisition of KIPCO's share in Gulf Insurance Group (GIG) was finalized, bringing Fairfax's ownership in GIG to more than 90%, making it a majority shareholder. Then in early 2024, Fairfax submitted a mandatory acquisition offer

to the remaining shareholders of the Gulf Insurance Group in accordance with the instructions of the relevant regulatory authorities, and completed its procedures in a professional and transparent manner during the second quarter of 2024, as a result of which Fairfax's ownership percentage in the Gulf Insurance Group increased to 97.06%.

- This stage constituted a qualitative leap in the history of both Fairfax and Gulf Insurance Group in a continuous aspiration for a more prosperous and bright future characterized by success, excellence, and progress.

Distinguished creditworthiness with the highest ratings for Gulf Insurance Group:

- Gulf Insurance Group (GIG) is recognized both locally and regionally as a leading insurance company, boasting top credit ratings from the most prestigious credit rating agencies.
- According to Moody's, the Group holds an "A2" financial strength rating, with a stable outlook. Additionally, GIG is rated 'A' (Positive Outlook) by S&P Global Ratings and 'A' (Stable Outlook) by AM Best.

Effective and Firm Governance:

Gulf Insurance Group is committed to integrating the principles of effective and firm governance into its operations and decision-making at all levels. The company emphasizes sustainability and considers it a fundamental aspect of its culture and a key component of its foundation. This commitment serves as crucial support for its ongoing success.

Today, the Group plays a significant role in its local communities by achieving a desirable balance between business interests and community benefits, ensuring the sustainability of its operations.

Acknowledgments:

In conclusion, I would like to extend heartfelt thanks, on behalf of myself, all members of the Board of Directors, the executive management, and our shareholders, to His Highness the Amir Sheikh Meshaal Al-Ahmad Al-Jaber Al-Sabah, may Allah protect him, and to his Crown Prince, His Highness Sheikh Sabah Khalid Al-Hamad Al-Mubarak Al-Sabah. We also express our gratitude to His Highness Sheikh Ahmed Abdullah Al-Sabah, the Prime Minister, as well as the Ministry of Commerce and Industry, the Insurance Regulatory Unit, the Capital Markets Authority, and Boursa Kuwait. We appreciate their understanding of local market conditions and their commitment to creating an organized business environment that fosters growth and prosperity. Their constant cooperation has been vital in developing the insurance sector and industry in Kuwait.

We also sincerely thank our valued customers, as well as our international and local reinsurers and brokers, for their trust and support. Additionally, I would like to acknowledge the executive management team and all employees of the Group for their exceptional efforts and dedication in achieving our targeted results. Lastly, we extend our deep gratitude to our valued shareholders, Fairfax, and the honorable members of the Board of Directors.

Bijan Khosrowshahi
The Chairman

