

**SANAD COOPERATIVE INSURANCE AND
REINSURANCE COMPANY
(A Saudi Joint Stock Company)
UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
For the three and nine months period ended 30 September 2014
together with the
Independent auditors' limited review report**



**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT
TO THE SHAREHOLDERS OF
SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

SCOPE OF LIMITED REVIEW:

We have reviewed the accompanying interim statement of financial position of Sanad Cooperative Insurance and Reinsurance Company (A Saudi Joint Stock Company) (the "Company") as at 30 September 2014, the related interim statements of comprehensive income for insurance and shareholders' operations for the three month and nine month periods then ended, the related interim statements of changes in shareholders' equity, insurance operations' cash flows and shareholders' cash flows for the nine month period then ended and the related notes 1 to 11 which form an integral part of these interim condensed financial statements. These interim condensed financial statements are the responsibility of the Company's management and have been prepared by them in accordance with International Accounting Standard – 34 "Interim Financial Reporting" (IAS 34) and submitted to us together with all the information and explanations which we required. We conducted our limited review in accordance with the Standard on Review of Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants ("SOCPA"). A limited review consists principally of applying analytical procedures to financial data and information and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

PARAGRAPH NOTE:

As per the letter number 351000113227 dated 2 Ramadan 1435 (corresponding to 29 June 2014) issued by Saudi Arabian Monetary Agency "SAMA", the Company has appointed an external firm to investigate certain areas as per the regulatory requirements. There might be adjustments resulting from such an exercise that would cause the accompanied interim condensed financial statements to materially differ. As set out in note 2.2 to the interim condensed financial statements, the accumulated losses have exceeded 75% of capital. We are not required in a limited review of interim condensed financial statements to express an opinion over regulatory issues and the results are preliminary and not final, awaiting the year end results and audit.

CONCLUSION:


Based on our limited review, other than the possible effects of the matters described above, we are not aware of any material modifications that should be made to the accompanying interim condensed financial statements for them to be in conformity with IAS 34.

INDEPENDENT AUDITORS' LIMITED REVIEW REPORT (continued)

EMPHASIS OF MATTER:

We draw attention to the fact that these interim condensed financial statements are prepared in accordance with IAS 34 and not in accordance with the Standard on Interim Financial Reporting issued by SOCPA.

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02 Muharram 1436H
(26 October 2014)



SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 September 2014
(Amount in Saudi Riyals)

	Notes	30 September 2014 <i>(Unaudited)</i>	31 December 2013 <i>(Audited)</i>
ASSETS			
ASSETS – INSURANCE OPERATIONS			
Cash and cash equivalents		67,473,158	78,582,401
Premiums receivable, net	5	52,229,822	65,008,738
Reinsurers' balance receivable, net	6	2,548,788	1,295,054
Reinsurers' share of outstanding claims and other technical reserves	7	23,192,022	23,618,391
Reinsurers' share of unearned premium		20,426,179	14,779,480
Deferred policy acquisition cost		7,278,048	9,620,528
Due from shareholders' operations		28,430,183	18,791,296
Prepayments and other assets		11,993,825	13,940,215
Property and equipment, net		4,129,121	4,462,452
TOTAL ASSETS – INSURANCE OPERATIONS		217,701,146	230,098,555
ASSETS – SHAREHOLDERS' OPERATIONS			
Cash and cash equivalents		16,312,146	31,568,966
Statutory deposit		21,178,581	21,077,351
Investments - available for sale	8	46,914,653	44,060,370
Loan receivable		--	500,000
Prepayments and other assets		50,603	1,448,663
TOTAL ASSETS – SHAREHOLDERS' OPERATIONS		84,455,983	98,655,350
TOTAL ASSETS		302,157,129	328,753,905
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES – INSURANCE OPERATIONS			
Unearned premium reserve		62,207,920	98,754,524
Reinsurers' balances payable		9,129,851	3,065,270
Accrued expenses and other liabilities		40,747,799	31,814,206
Outstanding claims and other technical reserves	7	95,731,210	88,763,481
Unearned commission income		6,120,898	4,130,018
End-of-service indemnities		3,763,468	3,571,056
TOTAL LIABILITIES – INSURANCE OPERATIONS		217,701,146	230,098,555
LIABILITIES – SHAREHOLDERS' OPERATIONS			
Accrued expenses and other liabilities		304,525	364,525
Provision for zakat		10,376,598	10,271,155
Due to insurance operations		28,430,183	18,791,296
TOTAL LIABILITIES – SHAREHOLDERS' OPERATIONS		39,111,306	29,426,976
TOTAL LIABILITIES		256,812,452	259,525,531
SHAREHOLDERS' EQUITY			
Share capital		200,000,000	200,000,000
Accumulated deficit		(162,688,391)	(135,950,411)
Investment revaluation reserve	8	8,033,068	5,178,785
TOTAL SHAREHOLDERS' EQUITY		45,344,677	69,228,374
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		302,157,129	328,753,905

The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.





SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
INTERIM STATEMENT OF COMPREHENSIVE INCOME - INSURANCE OPERATIONS
(Amount in Saudi Riyals)

<i>Notes</i>	<i>Three Month ended 30 September 2014 (Unaudited)</i>	<i>Nine Month ended 30 September 2014 (Unaudited)</i>	<i>Three Month ended 30 September 2013 (Unaudited)</i>	<i>Nine Month ended 30 September 2013 (Unaudited)</i>
INCOME				
Gross insurance premiums written	12,420,297	121,508,849	45,187,565	168,343,426
Gross inward reinsurance premiums written	13,139	21,400	29,766	147,980
TOTAL GROSS WRITTEN PREMIUMS	12,433,436	121,530,249	45,217,331	168,491,406
Reinsurance premiums ceded	(5,320,485)	(49,862,044)	(7,690,592)	(38,544,113)
NET WRITTEN PREMIUMS	7,112,951	71,668,205	37,526,739	129,947,293
Changes in unearned premiums	36,349,284	36,546,604	5,060,881	(28,189,770)
Changes in reinsurance unearned premiums	(8,345,359)	5,646,699	(3,020,111)	660,383
NET EARNED PREMIUMS	35,116,876	113,861,508	39,567,509	102,417,906
Reinsurance commission	2,778,367	11,335,034	2,438,143	8,637,241
Policy fee, net	21,140	121,155	39,550	67,927
UNDERWRITING REVENUE	37,916,383	125,317,697	42,045,202	111,123,074
EXPENSES				
Gross claims paid	(25,309,411)	(91,661,855)	(30,907,287)	(99,796,548)
Reinsurance share of claims paid	5,765,615	19,273,338	3,651,142	17,620,311
NET CLAIMS PAID	(19,543,796)	(72,388,517)	(27,256,145)	(82,176,237)
Net changes in outstanding claim reserve	(1,715,914)	(5,994,713)	(1,257,066)	3,577,071
Net changes in other technical reserve	1,111,365	(1,399,385)	(341,234)	3,501,245
NET CLAIMS INCURRED	(20,148,345)	(79,782,615)	(28,854,445)	(75,097,921)
Policy acquisition costs	(5,215,596)	(17,518,366)	(5,189,665)	(14,824,180)
Other underwriting expenses, net	(452,792)	(4,543,607)	(1,700,749)	(4,857,290)
Impairment allowance against doubtful receivables, net	(5,884,189)	(17,982,619)	513,907	(3,764,422)
UNDERWRITING EXPENSES	(31,700,922)	(119,827,207)	(35,230,952)	(98,543,813)
UNDERWRITING SURPLUS	6,215,461	5,490,490	6,814,250	12,579,261
General and administration expenses	(8,674,429)	(31,317,140)	(11,898,808)	(35,666,426)
LOSS FROM INSURANCE OPERATIONS	(2,458,968)	(25,826,650)	(5,084,558)	(23,087,165)
Gain on sale of property and equipment	--	--	--	12,500
Other income	57,500	187,248	65,583	205,000
COMPREHENSIVE LOSS FROM INSURANCE OPERATIONS	(2,401,468)	(25,639,402)	(5,018,975)	(22,869,665)
Transfer of comprehensive loss to shareholders operations	2,401,468	25,639,402	5,018,975	22,869,665
NET RESULTS FOR THE PERIOD	--	--	--	--

The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.



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SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
INTERIM STATEMENT OF COMPREHENSIVE INCOME - SHAREHOLDERS'
OPERATIONS
(Amount in Saudi Riyals)

	<i>Three Month ended 30 September 2014 (Unaudited)</i>	<i>Nine Month ended 30 September 2014 (Unaudited)</i>	<i>Three Month ended 30 September 2013 (Unaudited)</i>	<i>Nine Month ended 30 September 2013 (Unaudited)</i>
INCOME				
Commission income	64,591	272,172	104,400	372,114
Dividend income from investments	541,964	1,455,355	572,785	1,392,564
Gain on sale of investments	--	--	--	10,070,314
	<u>606,555</u>	<u>1,727,527</u>	<u>677,185</u>	<u>11,834,992</u>
EXPENSES				
Transfer of loss from insurance operations	(2,401,468)	(25,639,402)	(5,018,975)	(22,869,665)
General and administration expenses	(128,751)	(760,788)	(176,930)	(1,162,927)
NET LOSS FOR THE PERIOD BEFORE ZAKAT	<u>(1,923,664)</u>	<u>(24,672,663)</u>	<u>(4,518,720)</u>	<u>(12,197,600)</u>
Zakat	(776,125)	(2,065,317)	(542,963)	(1,877,013)
NET LOSS FOR THE PERIOD	<u>(2,699,789)</u>	<u>(26,737,980)</u>	<u>(5,061,683)</u>	<u>(14,074,613)</u>
OTHER COMPREHENSIVE INCOME / (LOSS):				
ITEMS MAY OR MAY BE TRANSFERRED TO STATEMENT OF INCOME				
Net changes in fair value of available for sale investments 8	1,478,976	2,854,283	1,687,851	4,615,947
TRANSFERRED TO STATEMENT OF INCOME				
Gain on sale of available for sale investments	--	--	--	(10,070,314)
OTHER COMPREHENSIVE INCOME / (LOSS)	<u>1,478,976</u>	<u>2,854,283</u>	<u>1,687,851</u>	<u>(5,454,367)</u>
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(1,220,813)</u>	<u>(23,883,697)</u>	<u>(3,373,832)</u>	<u>(19,528,980)</u>
BASIC AND DILUTED LOSS PER SHARE FOR THE PERIOD	<u>(0.13)</u>	<u>(1.34)</u>	<u>(0.25)</u>	<u>(0.70)</u>
WEIGHTED AVERAGE NUMBER OF SHARES IN ISSUE	<u>20,000,000</u>	<u>20,000,000</u>	<u>20,000,000</u>	<u>20,000,000</u>

The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.



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SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
FOR THE NINE MONTH PERIOD ENDED 30 September 2014
(Amount in Saudi Riyals)

	<i>Share capital</i>	<i>Accumulated deficit</i>	<i>Investment revaluation reserve</i>	<i>Total</i>
2014				
Balance at 1 January 2014	200,000,000	(135,950,411)	5,178,785	69,228,374
Net loss for the period	--	(26,737,980)	--	(26,737,980)
Other comprehensive income for the period	--	--	2,854,283	2,854,283
Balance at 30 September 2014	200,000,000	(162,688,391)	8,033,068	45,344,677
2013				
Balance at 1 January 2013	200,000,000	(105,306,937)	11,409,590	106,102,653
Net loss for the period	--	(14,074,613)	--	(14,074,613)
Other comprehensive loss for the period	--	--	(5,454,367)	(5,454,367)
Balance at 30 September 2013	200,000,000	(119,381,550)	5,955,223	86,573,673



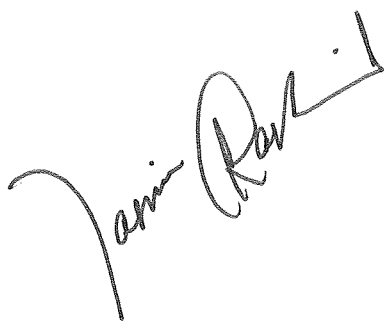
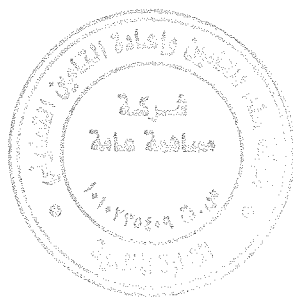
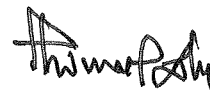
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The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.

SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
INTERIM STATEMENT OF INSURANCE OPERATIONS' CASH FLOWS (UNAUDITED)
(Amount in Saudi Riyals)

	<i>Nine Month ended 30 September 2014 (Unaudited)</i>	<i>Nine Month ended 30 September 2013 (Unaudited)</i>
OPERATING ACTIVITIES		
Net results for the period	--	--
<i>Adjustments for non-cash items:</i>		
Transfer of loss to shareholders' operations	(25,639,402)	(22,869,665)
Impairment allowance against salvage recoveries	9,294,352	
Depreciation	1,555,126	1,574,255
Provision for end-of-service indemnities	1,013,827	562,382
Impairment allowance against doubtful receivables, net	8,677,876	3,764,422
Gain on sale of property and equipment	(123)	(12,500)
Changes in operating assets and liabilities:		
Premiums receivable	4,171,040	(4,647,362)
Deferred policy acquisition costs	2,342,480	(3,067,498)
Prepayments and other assets	(7,347,962)	(3,249,906)
Unearned premium reserves, net	(42,193,303)	27,529,387
Unearned commission income	1,990,881	593,076
Reinsurers' balances payable	6,064,581	(258,860)
Accrued expenses and other liabilities	8,933,593	(8,506,228)
Outstanding claims and other technical reserves, net	7,394,098	(7,078,316)
Reinsurance balance receivable	(1,323,734)	4,279,923
Cash used in operating activities	(25,066,670)	(11,386,890)
End-of-service indemnities paid	(821,415)	(500,550)
Net cash used in operating activities	(25,888,085)	(11,887,440)
INVESTING ACTIVITIES		
Additions to property and equipment	(1,224,574)	(2,686,502)
Proceeds from sale of property and equipment	2,902	12,500
Net cash used in investing activities	(1,221,672)	(2,674,002)
FINANCING ACTIVITIES		
Due to shareholders' operations	16,000,514	16,797,066
Net cash from financing activities	16,000,514	16,797,066
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(11,109,243)	2,235,624
Cash and cash equivalents at the beginning of the period	78,582,401	65,479,976
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	67,473,158	67,715,600

The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.

SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
INTERIM STATEMENT OF SHAREHOLDERS' CASH FLOWS (UNAUDITED)
(Amount in Saudi Riyals)

	<i>Nine Month ended 30 September 2014 (Unaudited)</i>	<i>Nine Month ended 30 September 2013 (Unaudited)</i>
OPERATING ACTIVITIES		
Net loss for the period before zakat	(24,672,663)	(12,197,600)
<i>Adjustments for non-cash items:</i>		
Transfer of loss from insurance operations	25,639,402	22,869,665
Gain on sale of investments	--	(10,070,314)
Changes in operating assets and liabilities:		
Accrued expenses and other liabilities	(60,000)	(103,500)
Prepayments and other assets	1,398,059	(1,271,072)
Cash from / (used in) operating activities	2,304,798	(772,821)
Zakat paid	(1,959,874)	(893,751)
Net cash from / (used in) operating activities	344,924	(1,666,572)
INVESTING ACTIVITIES		
Purchase of investments – available for sale	--	(19,575,283)
Disposal of investments – available for sale	--	19,500,400
Statutory deposits	(101,230)	--
Net cash used in investing activities	(101,230)	(74,883)
FINANCING ACTIVITIES		
Due from insurance operations	(16,000,514)	(16,797,066)
Collection of loan receivable	500,000	--
Net cash used in financing activities	(15,500,514)	(16,797,066)
DECREASE IN CASH AND CASH EQUIVALENTS	(15,256,820)	(18,538,521)
Cash and cash equivalents at the beginning of the period	31,568,966	49,940,289
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	16,312,146	31,401,768
Non - cash supplemental information:		
Change in fair value of investments - available for sale	2,854,283	4,615,947

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The accompanying notes 1 to 11 form an integral part of these interim condensed financial statements.

SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2014

1 ORGANIZATION AND PRINCIPAL ACTIVITIES

Sanad Cooperative Insurance and Reinsurance Company ("the Company") is a Saudi Joint Stock Company incorporated under Ministerial Resolution dated 15 Jumada II, 1428 H, (corresponding to 30 June 2007). The Company is registered in the Kingdom of Saudi Arabia under commercial registration number 1010235409 dated 23 Jumada II, 1428 H (corresponding to 8 July 2007). The objective of the Company is to transact cooperative insurance and reinsurance operations and related activities in the Kingdom of Saudi Arabia. The Company was listed on the Saudi Stock Exchange on 21 July 2007.

The Registered Office of the Company is located at Dareen Center, Al Ahsa Street, Riyadh 11417, Kingdom of Saudi Arabia. These interim condensed financial statements cover the period from 1 January 2014 to 30 September 2014 (the "period").

2 BASIS OF PREPARATION

2.1 Basis of measurement

The interim condensed financial statements have been prepared under the historical cost convention, except for the measurement at fair value of available for sale investments.

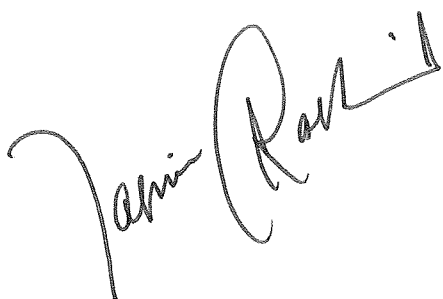
2.2 Going concern

As at 30 September 2014, the Company's solvency margin is below the limit prescribed by Saudi Arabian Monetary Agency (SAMA).

The Company has incurred a net loss of SR 26.7 million during the period. As a result, the accumulated losses amounted to SR 162.7 million that represents approximately 81.3% of the Share Capital. The Saudi Arabian Regulations for Companies Article 148 require that in situations where the losses exceed 75% of the share capital, the Company's Board of Directors must call for an extraordinary general meeting to consider this situation. As of the date of the approval of these interim condensed financial statements, the extraordinary general meeting has not been called and the Board is in the process of calling the extraordinary general assembly. As per the letter number 351000113227 dated 2 Ramadan 1435 (corresponding to 29 June 2014) issued by SAMA, the Company has appointed an external firm to investigate certain areas as per the regulatory requirements.

Further, the Capital Market Authority has issued instructions regarding procedures applicable to listed Companies whose losses are in excess of 75% of Capital, which was effective from 1 July 2014. The Capital Market Authority's (CMA) Board has issued its decision on 12 Dhul Qadah 1435 (corresponding to 7 September 2014) to suspend trading the shares of the Company in the Saudi Stock Exchange (Tadawul) starting from 12 Dhul Qadah 1435 (corresponding to 7 September 2014). Further punitive measures would be applicable, if the accumulated losses were to exceed 100%.

Based on Company's restructuring plan, future business prospects and the various discussions and negotiations with SAMA, the management believes that the going concern assumption is valid and has therefore prepared the financial statements on a going concern basis.



SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2014

2 BASIS OF PREPARATION (Continued)

2.3 Statement of compliance

The interim condensed financial statements of the Company have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting.

As required by Saudi Arabian Insurance Regulations, the Company maintains separate books of accounts for Insurance Operations and Shareholders' Operations. Assets, liabilities, revenues and expenses clearly attributable to either activity are recorded in the respective accounts. The basis of allocation of expenses from joint operations is determined and approved by the management and Board of Directors.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's financial statements for the year ended 31 December 2013.

In management's opinion, the interim condensed financial statements reflect all adjustments (which include normal recurring adjustments) necessary to present fairly the results of operations for the interim period presented. The Company's interim results may not be indicative of its annual results.

2.4 Functional and presentation currency

The interim condensed financial statements have been presented in Saudi Riyals, being the functional currency of the Company. Amounts are rounded to nearest Riyal unless otherwise indicated.

2.5 Use of accounting judgements, estimates and assumptions in the preparation of interim condensed financial statements

The preparation of interim condensed financial statements in conformity with International Financial Reporting Standards (IFRS) requires the use of judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim condensed financial statements and the reported amounts of revenue and expenses during the reporting period.

Although these judgments, estimates and assumptions are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognised in the period in which the estimate is revised.

In particular, the matters involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are:

- Unearned premium reserve
- Outstanding claims and other technical reserve
- Impairment of receivables and salvage recoveries
- Impairment in value of investment – available for sale

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SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2014

3 SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT POLICIES

The accounting and risk management policies adopted in the preparation of these interim condensed financial statements are consistent with the ones used in the Company's audited financial statements for the year ended 31 December 2013, except for the adoption of the following new standards and other amendments to existing standards mentioned below which has had an insignificant effect on the condensed interim financial statements of the Company on the current period or prior period and is expected to have an insignificant effect in future periods:

a) *New standards and amendments to existing standards*

- *Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32*

These amendments clarify the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These amendments have no impact on the Company.

- *Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39*

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact to the Company as the Company has not entered transacted any derivative during the current or prior periods.

- *Recoverable Amount Disclosures for Non-Financial Assets – Amendments to IAS 36*

These amendments remove the unintended consequences of IFRS 13 Fair Value Measurement on the disclosures required under IAS 36 Impairment of Assets. In addition, these amendments require disclosure of the recoverable amounts for the assets or cash-generating units (CGUs) for which an impairment loss has been recognised or reversed during the period.



SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2014

4 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors and key management personnel of the Company, and companies of which they are principal owners and any other entities controlled, jointly controlled or significantly influenced by them. Pricing policies and terms of these transactions are mutually agreed and are approved by the Company's management. The related parties of the Company are as follows:

Nature of relationship	Name of related party
<i>10% founding shareholder and common directorship</i>	- Saudi Continental Insurance Company
<i>90% shareholder in Saudi Continental Insurance Company and have a common directorship</i>	- Aggad Investment Company
<i>Common directorship and control</i>	- Arabian Tiles Company - Medical Supplies and Services Company Limited (MEDISERV) - National Advanced Systems Company Limited (NASCO) - United Motors Company

a) Transactions with related parties:

Details of significant transactions carried out during the period with related parties are as follows:

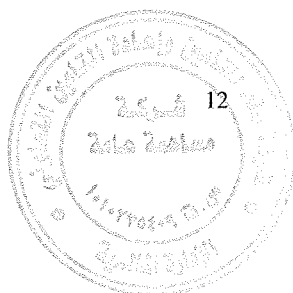
	<i>Nine month ended September 2014 (Unaudited)</i>		<i>Nine month ended September 2013 (Unaudited)</i>	
	Gross written premium	Gross claims paid	Gross written premium	Gross claims paid
Aggad Investment Company	594,275	165,002	162,207	273,355
Arabian Tiles Company	162,836	507,786	197,676	564,812
Medical Supplies and Services Company Limited (MEDISERV)	907,033	1,077,153	1,080,163	1,766,048
National Advanced Systems Company Limited (NASCO)	755,777	9,117,925	1,283,900	3,535,362
United Motors Company	1,104,686	8,472,418	12,012,587	9,071,808

b) Balances with related parties:

Details of significant receivables from and payables to the related parties are as follows:

	<i>30 September 2014 (Unaudited)</i>		<i>31 December 2013 (Audited)</i>	
	Premiums receivable	Outstanding claims	Premiums receivable	Outstanding claims
Aggad Investment Company	111,205	102,788	64	190,121
Arabian Tiles Company	488,173	500,339	1,105,342	230,971
Medical Supplies and Services Company Limited (MEDISERV)	266,919	973,255	1,081,202	815,285
National Advanced Systems Company Limited (NASCO)	--	6,611,260	3,893,057	5,755,929
United Motors Company	--	4,413,222	1,021,857	6,537,380

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SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
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4 RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

c) Compensation of key management personnel:

Key management personnel of the Company include all directors, executive and non-executive, and senior management. The summary of compensation of key management personnel for the period is as follows:

	<i>Nine month ended September 2014 (Unaudited)</i>	<i>Nine month ended September 2013 (Unaudited)</i>
Salaries and other short term benefits	<u>2,586,000</u>	<u>3,236,020</u>
End of service benefit	<u>105,571</u>	<u>162,408</u>
	<u><u>2,691,571</u></u>	<u><u>3,398,428</u></u>

5 PREMIUMS RECEIVABLE, NET

	<i>30 September 2014 (Unaudited)</i>	<i>31 December 2013 (Audited)</i>
Premiums receivable	<u>88,951,058</u>	<u>93,122,098</u>
Less : Impairment against doubtful receivables	<u>(36,721,236)</u>	<u>(28,113,360)</u>
	<u><u>52,229,822</u></u>	<u><u>65,008,738</u></u>

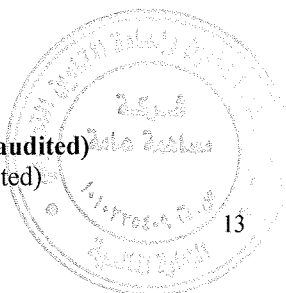
	<i>Total</i>	<i>Neither past due nor impaired</i>	<i>Past due but not impaired</i>	<i>Past due and impaired</i>
30 September 2014 (Unaudited)	88,951,058	7,375,504	44,854,318	36,721,236
31 December 2013 (Audited)	93,122,098	22,998,312	42,010,426	28,113,360

The Company classifies receivable balances as 'past due and impaired' on a case to case basis, impairment against which is recorded in the statement of insurance operations. The Company does not obtain collateral against premium receivables. Amount which are neither past due nor considered impaired by management, in respect of premium receivables, are from individuals and unrated corporate policy holders.

6 REINSURERS' BALANCE RECEIVABLE, NET

	<i>30 September 2014 (Unaudited)</i>	<i>31 December 2013 (Audited)</i>
Reinsurers' balance receivable	<u>2,766,965</u>	<u>1,443,232</u>
Less: Impairment against doubtful receivables	<u>(218,177)</u>	<u>(148,178)</u>
	<u><u>2,548,788</u></u>	<u><u>1,295,054</u></u>

	<i>Total</i>	<i>Past due but not impaired</i>	<i>Past due and impaired</i>
30 September 2014 (Unaudited)	2,766,965	2,548,788	218,177
31 December 2013 (Audited)	1,443,232	1,295,054	148,178



Yamin Rami

Ali Al-Jabri

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7 OUTSTANDING CLAIMS AND OTHER TECHNICAL RESERVES

	<i>30 September 2014 (Unaudited)</i>		
	<i>Gross</i>	<i>Reinsurers' Share</i>	<i>Net</i>
Outstanding claim reserves	57,354,807	(16,448,807)	40,906,000
Incurred but not reported reserve ("IBNR")	23,880,657	(6,743,215)	17,137,442
Premium deficiency reserve	14,495,746	-	14,495,746
Outstanding claims and other technical reserves	<u>95,731,210</u>	<u>(23,192,022)</u>	<u>72,539,188</u>

	<i>31 December 2013 (Audited)</i>		
	<i>Gross</i>	<i>Reinsurers' Share</i>	<i>Net</i>
Outstanding claim reserves	54,435,816	(19,524,529)	34,911,287
Incurred but not reported reserve ("IBNR")	23,880,657	(4,093,862)	19,786,795
Premium deficiency reserve	10,447,008	--	10,447,008
Outstanding claims and other technical reserves	<u>88,763,481</u>	<u>(23,618,391)</u>	<u>65,145,090</u>

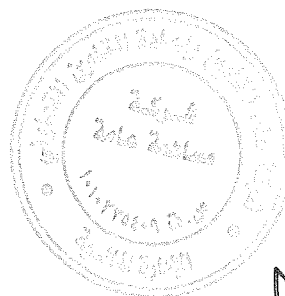
8 INVESTMENTS

Investments - available for sale

Investment in available for sale securities comprise of the following:

	<i>30 September 2014 (Unaudited)</i>			<i>31 December 2013 (Audited)</i>
	<i>Cost</i>	<i>Unrealised gain</i>	<i>Market value</i>	<i>Market value</i>
<i>Quoted/Published prices</i>				
Mutual Funds	6,625,998	408,728	7,034,726	6,999,291
Global Sukuk Fund deposits	9,450,000	2,080,494	11,530,494	11,098,930
Equities	<u>20,882,509</u>	<u>5,543,846</u>	<u>26,426,355</u>	<u>24,039,071</u>
	36,958,507	8,033,068	44,991,575	42,137,292
<i>Unquoted</i>				
Equities	1,923,078	-	1,923,078	1,923,078
Total investments in available for sale	<u>38,881,585</u>	<u>8,033,068</u>	<u>46,914,653</u>	<u>44,060,370</u>

Yamin Rana



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SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
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8 INVESTMENTS (continued)

Movements in available for sale investments are as follows:

	<i>30 September 2014 (Unaudited)</i>	<i>30 September 2013 (Unaudited)</i>
At beginning of the period	44,060,370	40,145,978
Addition during the period	-	19,575,283
Disposals during the period	-	(19,500,400)
Change in fair value	2,854,283	4,615,947
At end of the period	<u>46,914,653</u>	<u>44,836,808</u>

9 SEGMENTAL INFORMATION

Consistent with the Company's internal reporting process, business segments have been approved by management in respect of the Company's activities, assets and liabilities as stated below. Segment results do not include general and administration expenses and other income.

Segment assets do not include property and equipment, prepayments and other assets, premiums receivable, reinsurances' balance receivables, cash and cash equivalents, and due from shareholders' operations. Accordingly they are included in unallocated assets.

Segment liabilities do not include, end-of-service indemnities, reinsurers' balances payable, accrued expenses and other liabilities.

All unallocated assets and liabilities are reported to chief operating decision maker as unallocated assets and liabilities and are monitored on a centralized basis.

All of the Company's operating assets and principal activities are located in the Kingdom of Saudi Arabia.



Yamin Rami

Abdulrahman Al-Fozan

SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
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9 SEGMENTAL INFORMATION (CONTINUED)

a) Statement of results for insurance operations

	<i>For the three month ended 30 September 2014 (Unaudited)</i>					
	<i>Medical</i>	<i>Motor</i>	<i>Marine</i>	<i>Engineering</i>	<i>Others</i>	<i>Total</i>
Gross written premiums	2,469,690	6,103,884	2,002,782	760,749	1,096,331	12,433,436
Reinsurance premiums ceded (note a)	(1,709,459)	(493,207)	(1,555,415)	(735,558)	(826,846)	(5,320,485)
Net written premiums	760,231	5,610,677	447,367	25,191	269,485	7,112,951
Net changes in unearned premiums	13,569,214	13,289,194	494,802	117,412	533,303	28,003,925
Net earned premiums	14,329,445	18,899,871	942,169	142,603	802,788	35,116,876
Reinsurance commission earned	587,267	-	548,216	930,846	712,038	2,778,367
Other underwriting income	300	6,615	10,470	660	3,095	21,140
Underwriting revenue	14,917,012	18,906,486	1,500,855	1,074,109	1,517,921	37,916,383
EXPENSES						
Gross claims paid	(9,820,681)	(11,726,589)	(1,099,889)	(2,035,537)	(626,715)	(25,309,411)
Reinsurance share of claims paid	2,225,728	145,000	929,234	1,967,511	498,142	5,765,615
Net claims paid	(7,594,953)	(11,581,589)	(170,655)	(68,026)	(128,573)	(19,543,796)
Net changes in outstanding claims and other technical reserves	3,535,220	(1,163,762)	86,108	3,167	(3,065,282)	(604,549)
Net claims incurred	(4,059,733)	(12,745,351)	(84,547)	(64,859)	(3,193,855)	(20,148,345)
Policy acquisition costs	(1,339,913)	(2,634,501)	(246,546)	(549,884)	(444,752)	(5,215,596)
Other underwriting expenses	(108,380)	(318,729)	(11,049)	(6,271)	(8,363)	(452,792)
Impairment allowance against doubtful and salvage receivables	766,623	(6,650,812)	--	--	--	(5,884,189)
Underwriting expenses	(4,741,403)	(22,349,393)	(342,142)	(621,014)	(3,646,970)	(31,700,922)
Underwriting surplus / (deficit) before administration expenses and other income	10,175,609	(3,442,907)	1,158,713	453,095	(2,129,049)	6,215,461
Unallocated income						57,500
Unallocated expenses						(8,674,429)
Net deficit from insurance operations						(2,401,468)



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SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
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9 SEGMENTAL INFORMATION (CONTINUED)

a) Statement of results for insurance operations (continued)

	<i>For the Nine month ended 30 September 2014 (Unaudited)</i>					
	<i>Medical</i>	<i>Motor</i>	<i>Marine</i>	<i>Engineering</i>	<i>Others</i>	<i>Total</i>
Gross written premiums	25,482,457	61,381,478	15,388,766	9,437,750	9,839,798	121,530,249
Reinsurance premiums ceded	(18,824,705)	(1,967,207)	(12,548,724)	(9,071,715)	(7,449,693)	(49,862,044)
Net written premiums	6,657,752	59,414,271	2,840,042	366,035	2,390,105	71,668,205
Net changes in unearned premiums	42,669,848	(260,367)	312,732	(601,156)	72,246	42,193,303
Net earned premiums	49,327,600	59,153,904	3,152,774	(235,121)	2,462,351	113,861,508
Reinsurance commission earned	2,327,698	-	4,091,662	2,707,318	2,208,356	11,335,034
Other underwriting income	6,100	48,110	41,105	3,390	22,450	121,155
Total underwriting revenue	51,661,398	59,202,014	7,285,541	2,475,587	4,693,157	125,317,697
EXPENSES						
Gross claims paid	(27624,210)	(46,495,254)	(4,361,574)	(10,882,436)	(2,298,381)	(91,661,855)
Reinsurance share of claims paid	3,515,674	145,000	3,321,738	10,350,870	1,940,056	19,273,338
Net claims paid	(24,108,536)	(46,350,254)	(1,039,836)	(531,566)	(358,325)	(72,388,517)
Net changes in outstanding claims and other technical reserves	(983,671)	(3,686,667)	93,673	315,517	(3,132,950)	(7,394,098)
Net claims incurred	(25,092,207)	(50,036,921)	(946,163)	(216,049)	(3,491,275)	(79,782,615)
Policy acquisition costs	(4,673,486)	(7,892,081)	(2,020,894)	(1,578,489)	(1,353,416)	(17,518,366)
Other underwriting expenses, net	(987,763)	(2,071,369)	(639,845)	(501,945)	(342,685)	(4,543,607)
Impairment allowance against doubtful and salvage receivables	(2,005,258)	(15,977,361)	--	--	--	(17,982,619)
Underwriting expenses	(32,758,714)	(75,977,732)	(3,606,902)	(2,296,483)	(5,187,376)	(119,827,207)
Underwriting surplus / (deficit) before administration expenses and other income	18,902,684	(16,775,718)	3,678,639	179,104	(494,219)	5,490,490
Unallocated income						187,248
Unallocated expenses						(31,317,140)
Net deficit from insurance operations						(25,639,402)



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9 SEGMENTAL INFORMATION (Continued)

a) Statement of results for insurance operations (continued)

	<i>For the three months ended 30 September 2013 (Unaudited)</i>					
	<i>Medical</i>	<i>Motor</i>	<i>Marine</i>	<i>Engineering</i>	<i>Others</i>	<i>Total</i>
Gross written premiums	26,478,070	11,415,912	3,565,059	1,857,100	1,901,190	45,217,331
Reinsurance premiums ceded	(1,103,394)	(491,333)	(2,819,338)	(1,828,919)	(1,447,608)	(7,690,592)
Net written premiums	25,374,676	10,924,579	745,721	28,181	453,582	37,526,739
Net changes in unearned premiums	(10,263,069)	11,862,379	(83,610)	141,033	384,037	2,040,770
Net earned premiums	15,111,607	22,786,958	662,111	169,214	837,619	39,567,509
Reinsurance commission earned	--	--	824,095	805,751	808,297	2,438,143
Other underwriting income	2,800	17,135	13,215	925	5,475	39,550
Underwriting revenue	15,114,407	22,804,093	1,499,421	975,890	1,651,391	42,045,202
EXPENSES						
Gross claims paid	(9,232,900)	(19,681,678)	(685,407)	(453,583)	(853,719)	(30,907,287)
Reinsurance share of claims paid	1,327,178	746,390	458,273	429,738	689,563	3,651,142
Net claims paid	(7,905,722)	(18,935,288)	(227,134)	(23,845)	(164,156)	(27,256,145)
Net changes in outstanding claims and other technical reserves	(749,501)	(833,823)	(25,053)	(12,095)	22,172	(1,598,300)
Net claims incurred	(8,655,223)	(19,769,111)	(252,187)	(35,940)	(141,984)	(28,854,445)
Policy acquisition costs	(1,102,766)	(2,840,966)	(281,145)	(487,682)	(477,106)	(5,189,665)
Other underwriting expenses, net	(834,723)	(426,138)	(231,879)	(94,021)	(113,988)	(1,700,749)
Impairment allowance against doubtful and salvage receivables	820,729	(306,822)	--	--	--	513,907
Underwriting expenses	(9,771,983)	(23,343,037)	(765,211)	(617,643)	(733,078)	(35,230,952)
Underwriting (deficit) / surplus before administration expenses and other income	5,342,424	(538,944)	734,210	358,247	918,313	6,814,250
Unallocated income						65,583
Unallocated expenses						(11,898,808)
Net deficit from insurance operations						<u>(5,018,975)</u>



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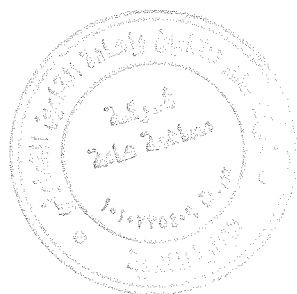
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SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
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9 SEGMENTAL INFORMATION (Continued)

a) Statement of results for insurance operations (continued)

	<i>For the Nine months ended 30 September 2013 (Unaudited)</i>					
	<i>Medical</i>	<i>Motor</i>	<i>Marine</i>	<i>Engineering</i>	<i>Others</i>	<i>Total</i>
Gross written premiums	49,487,942	79,395,544	16,428,950	10,359,103	12,819,867	168,491,406
Reinsurance premiums ceded	(3,110,437)	(2,192,023)	(13,497,936)	(9,777,644)	(9,966,073)	(38,544,113)
Net written premiums	46,377,505	77,203,521	2,931,014	581,459	2,853,794	129,947,293
Net changes in unearned premiums	(12,410,374)	(14,614,747)	(56,601)	(5,530)	(442,135)	(27,529,387)
Net earned premiums	33,967,131	62,588,774	2,874,413	575,929	2,411,659	102,417,906
Reinsurance commission earned	--	--	3,873,863	2,457,499	2,305,879	8,637,241
Other underwriting income	7,800	(13,963)	41,540	4,275	28,275	67,927
Underwriting revenue	33,974,931	62,574,811	6,789,816	3,037,703	4,745,813	111,123,074
EXPENSES						
Gross claims paid	(38,807,832)	(52,400,603)	(4,226,965)	(1,161,596)	(3,199,552)	(99,796,548)
Reinsurance share of claims paid	9,699,970	971,269	3,258,414	1,081,112	2,609,546	17,620,311
Net claims paid	(29,107,862)	(51,429,334)	(968,551)	(80,484)	(590,006)	(82,176,237)
Net changes in outstanding claims and other technical reserves	7,247,749	(609,068)	351,167	(153,274)	241,742	7,078,316
Net claims incurred	(21,860,113)	(52,038,402)	(617,384)	(233,758)	(348,264)	(75,097,921)
Policy acquisition costs	(2,066,196)	(8,129,022)	(1,767,459)	(1,462,270)	(1,399,233)	(14,824,180)
Other underwriting expenses, net	(1,713,531)	(1,702,910)	(688,706)	(363,002)	(389,141)	(4,857,290)
Impairment allowance against doubtful receivables	(1,856,469)	(1,907,953)	--	--	--	(3,764,422)
Underwriting expenses	(27,496,309)	(63,778,287)	(3,073,549)	(2,059,030)	(2,136,638)	(98,543,813)
Underwriting surplus / (deficit) before administration expenses and other income	6,478,622	(1,203,476)	3,716,267	978,673	2,609,175	12,579,261
Unallocated income						217,500
Unallocated expenses						(35,666,426)
Net deficit from insurance operations						(22,869,665)



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SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
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9 SEGMENTAL INFORMATION (Continued)

b) Insurance operations' assets and liabilities

	<i>At 30 September 2014 (Unaudited)</i>					
	<i>Medical</i>	<i>Motor</i>	<i>Marine</i>	<i>Engineering</i>	<i>Others</i>	<i>Total</i>
Insurance operations assets						
Reinsurers' share of unearned premium	5,215,862	--	1,385,051	10,078,650	3,746,616	20,426,179
Reinsurers' share of outstanding claims and other technical reserves	7,083,671	1,876,790	2,907,434	7,258,731	4,065,396	23,192,022
Deferred policy acquisition cost	1,053,439	4,084,813	587,200	835,163	717,433	7,278,048
Allocated assets	<u>13,352,972</u>	<u>5,961,603</u>	<u>4,879,685</u>	<u>18,172,544</u>	<u>8,529,445</u>	<u>50,896,249</u>
Unallocated assets						<u>166,804,897</u>
Total insurance operations assets						<u><u>217,701,146</u></u>
Insurance operations liabilities						
Unearned premium reserves	13,406,355	30,264,092	2,002,782	11,036,340	5,498,351	62,207,920
Outstanding claims and other technical reserves	28,561,028	47,538,723	3,651,982	7,491,340	8,488,137	95,731,210
Unearned commission income	2,544,783	--	1,094,433	1,404,909	1,076,773	6,120,898
Allocated liabilities	<u>44,512,166</u>	<u>77,802,815</u>	<u>6,749,197</u>	<u>19,932,589</u>	<u>15,063,261</u>	<u>164,060,028</u>
Unallocated liabilities						<u>53,641,118</u>
Total insurance operations liabilities						<u><u>217,701,146</u></u>

	<i>At 31 December 2013 (Audited)</i>					
	<i>Medical</i>	<i>Motor</i>	<i>Marine</i>	<i>Engineering</i>	<i>Others</i>	<i>Total</i>
Insurance operations assets						
Reinsurers' share of unearned premium	--	--	3,603,338	6,608,484	4,567,658	14,779,480
Reinsurers' share of outstanding claims and other technical reserves	1,032,564	1,832,490	3,247,335	10,026,829	7,479,173	23,618,391
Deferred policy acquisition cost	3,598,577	3,603,919	568,171	1,041,553	808,308	9,620,528
Allocated assets	<u>4,631,141</u>	<u>5,436,409</u>	<u>7,418,844</u>	<u>17,676,866</u>	<u>12,855,139</u>	<u>48,018,399</u>
Unallocated assets						<u>182,080,156</u>
Total insurance operations assets						<u><u>230,098,555</u></u>
Insurance operations liabilities						
Unearned premium reserves	50,860,341	30,003,725	4,533,801	6,965,018	6,391,639	98,754,524
Outstanding claims and other technical reserves	21,526,250	43,807,756	4,085,556	10,574,955	8,768,964	88,763,481
Unearned commission income	--	--	1,138,765	1,731,384	1,259,869	4,130,018
Allocated liabilities	<u>72,386,591</u>	<u>73,811,481</u>	<u>9,758,122</u>	<u>19,271,357</u>	<u>16,420,472</u>	<u>191,648,023</u>
Unallocated liabilities						<u>38,450,532</u>
Total insurance operations liabilities						<u><u>230,098,555</u></u>

Yahia Rashid



Thamir Ashq

SANAD COOPERATIVE INSURANCE AND REINSURANCE COMPANY
(A Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2014
(Amount in Saudi Riyals)

10 FAIR VALUES OF FINANCIAL INSTRUMENTS

The Company measures financial instruments and non-financial assets at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.


All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Company's management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement, such as assets held for distribution in any discontinued operation. External valuers are involved for valuation of significant assets, such as properties and AFS financial assets, and significant liabilities, such as contingent consideration.



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(Amount in Saudi Riyals)

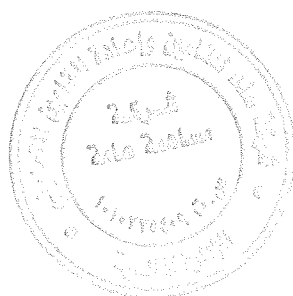
10 FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

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

	<i>30 September 2014 (Unaudited)</i>			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
<i>Quoted investments</i>				
Equities	26,426,355	--	--	26,426,355
Other quoted investments	--	18,565,220	--	18,565,220
Unquoted equities	--	--	1,923,078	1,923,078
	<u>26,426,355</u>	<u>18,565,220</u>	<u>1,923,078</u>	<u>46,914,653</u>
<i>31 December 2013 (Audited)</i>				
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
<i>Quoted investments</i>				
Equities	24,039,071	--	--	24,039,071
Other quoted investments	--	18,098,221	--	18,098,221
Unquoted equities	--	--	1,923,078	1,923,078
	<u>24,039,071</u>	<u>18,098,221</u>	<u>1,923,078</u>	<u>44,060,370</u>

11 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements have been approved by the Board of Directors on 26 October 2014 corresponding to 02 Muharram 1436H.



Yamin Rami

Thunash