
**METLIFE, AMERICAN INTERNATIONAL
GROUP AND ARAB NATIONAL BANK
COOPERATIVE INSURANCE COMPANY**
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)
AND INDEPENDENT AUDITORS' LIMITED REVIEW
REPORT**

30 September 2016

MetLife, American International Group and Arab National Bank
Cooperative Insurance Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS'
LIMITED REVIEW REPORT (UNAUDITED)

At 30 September 2016

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**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT TO THE SHAREHOLDERS OF
METLIFE, AMERICAN INTERNATIONAL GROUP AND
ARAB NATIONAL BANK COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

SCOPE OF REVIEW:

We have reviewed the accompanying interim statement of financial position of Metlife, American International Group and Arab National Bank Cooperative Insurance Company (A Saudi Joint Stock Company) (the "Company") as at 30 September 2016 and the related interim statements of insurance operations, shareholders' comprehensive operations for the three and nine month periods then ended, the related interim statements of changes in shareholders' equity, insurance operations' and shareholders' cash flows for the nine month then ended and the related notes 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" 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 in the Kingdom of Saudi Arabia, 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.

CONCLUSION:

Based on our limited review, 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.

EMPHASIS OF A 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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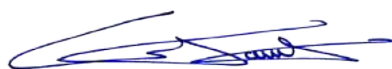
Abdulaziz A. Alnaim
Certified Public Accountant
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MetLife, American International Group and Arab National Bank
Cooperative Insurance Company
(A Saudi Joint Stock Company)

INTERIM STATEMENT OF FINANCIAL POSITION

		30 September 2016 (Unaudited) SR	31 December 2015 (Audited) SR
	Notes		
INSURANCE OPERATIONS' ASSETS			
Cash and cash equivalents	4	46,647,805	64,689,241
Time deposits		15,000,000	-
Premiums receivable, net	5	45,208,842	35,661,423
Reinsurers' share of unearned premiums		34,599,667	27,622,732
Reinsurers' share of mathematical reserves	1.1	241,929,053	251,654,626
Reinsurers' share of outstanding claims		25,255,958	19,923,644
Deferred policy acquisition costs		8,820,624	4,857,863
Prepaid expenses and other assets		29,756,335	13,750,066
Due from shareholders operations		5,785,700	8,010,111
Property and equipment, net		4,199,866	5,757,153
TOTAL INSURANCE OPERATIONS' ASSETS		457,203,850	431,926,859
SHAREHOLDERS' ASSETS			
Cash and cash equivalents	4	157,785,330	66,314,800
Time deposits		19,000,000	-
Held to maturity investment		35,000,000	10,000,000
Prepaid expenses and other assets		455,480	944,930
Available for sale investments		3,175,163	3,175,163
Statutory deposit	7	35,000,000	17,500,000
Commission on statutory deposit	7	366,774	174,521
TOTAL SHAREHOLDERS' ASSETS		250,782,747	98,109,414
TOTAL INSURANCE OPERATIONS' AND SHAREHOLDERS' ASSETS		707,986,597	530,036,273



Managing Director/
Chief Executive Officer




Chief Financial Officer

MetLife, American International Group and Arab National Bank
Cooperative Insurance Company
(A Saudi Joint Stock Company)

INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)

		<i>30 September 2016 (Unaudited) SR</i>	<i>31 December 2015 (Audited) SR</i>
	<i>Note</i>		
INSURANCE OPERATIONS' LIABILITIES			
Gross unearned premiums		90,655,976	92,031,067
Gross outstanding claims		61,264,187	39,652,073
Gross mathematical reserves	1.1	241,929,053	251,654,626
Payables, accruals and others		28,697,397	12,871,984
Reinsurance balances payable		26,926,405	29,875,305
Unearned reinsurance commission income		5,956,074	3,754,021
Due to related parties	6	1,490	1,050,297
Employees' terminal benefits		1,773,268	1,037,486
TOTAL INSURANCE OPERATIONS' LIABILITIES		457,203,850	431,926,859
SHAREHOLDERS' LIABILITIES AND EQUITY			
SHAREHOLDERS' LIABILITIES			
Zakat		256,870	615,473
Payables, accruals and others		646,311	733,060
Commission on statutory deposit	7	366,774	174,521
Due to insurance operations		5,785,700	8,010,111
TOTAL SHAREHOLDERS' LIABILITIES		7,055,655	9,533,165
SHAREHOLDERS' EQUITY			
Share capital	8	350,000,000	175,000,000
Accumulated deficit		(106,272,908)	(86,423,751)
TOTAL SHAREHOLDERS' EQUITY		243,727,092	88,576,249
TOTAL SHAREHOLDERS' LIABILITIES AND EQUITY		250,782,747	98,109,414
TOTAL INSURANCE OPERATIONS' LIABILITIES AND SHAREHOLDERS' LIABILITIES AND EQUITY		707,986,597	530,036,273



Managing Director/
Chief Executive Officer

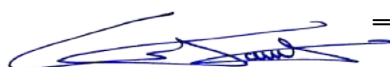


Chief Financial Officer

MetLife, American International Group and Arab National Bank
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INTERIM STATEMENT OF INSURANCE OPERATIONS

	<i>For the three month period ended 30 September 2016 SR</i>	<i>For the period ended 30 September 2016 SR</i>	<i>For the three month period ended 30 September 2015 SR</i>	<i>For the period ended 30 September 2015 SR</i>
Gross written premiums	36,108,271	147,946,266	59,577,673	111,108,803
Reinsurance premiums ceded	(9,963,488)	(48,017,195)	(6,183,449)	(42,519,113)
Excess of loss premiums	(67,396)	(515,118)	(167,229)	(290,312)
NET WRITTEN PREMIUMS	26,077,387	99,413,953	53,226,995	68,299,378
Net changes in unearned premiums	15,612,522	8,352,025	(46,805,904)	(57,018,275)
NET EARNED PREMIUMS	41,689,909	107,765,978	6,421,091	11,281,103
Reinsurance commission income	2,966,181	7,704,837	1,231,224	2,662,851
Other underwriting income	1,389,705	3,984,752	603,906	1,058,579
UNDERWRITING REVENUE	46,045,795	119,455,567	8,256,221	15,002,533
Gross claims paid	(36,814,283)	(96,161,560)	(11,280,508)	(19,820,798)
Reinsurers' share of claims paid	6,638,663	21,785,711	8,968,878	16,863,527
NET CLAIMS PAID	(30,175,620)	(74,375,849)	(2,311,630)	(2,957,271)
Net changes in outstanding claims	(5,415,063)	(16,279,801)	(1,873,338)	(6,468,986)
NET CLAIMS INCURRED	(35,590,683)	(90,655,650)	(4,184,968)	(9,426,257)
Commission incurred	(4,417,764)	(10,439,572)	(908,693)	(1,948,396)
Inspection and supervisory fees	(666,792)	(1,738,971)	143,052	(194,208)
Other direct underwriting expense	(247,768)	(704,882)	(145,540)	(252,295)
Doubtful debt expense	(3,288)	(3,560,479)	(1,486,202)	(1,446,134)
UNDERWRITING EXPENSES	(40,926,295)	(107,099,554)	(6,582,351)	(13,267,290)
UNDERWRITING RESULTS	5,119,500	12,356,013	1,673,870	1,735,243
General and administrative expenses	(10,987,384)	(31,797,634)	(9,140,843)	(25,036,392)
Special commission income	380,360	1,005,152	-	-
NET DEFICIT FOR THE PERIOD FROM INSURANCE OPERATIONS	(5,487,524)	(18,436,469)	(7,466,973)	(23,301,149)
Shareholders' appropriation from deficit	5,487,524	18,436,469	7,466,973	23,301,149
NET RESULT FOR THE PERIOD	-	-	-	-



Managing Director/
Chief Executive Officer



Chief Financial Officer

The accompanying notes 1 to 13 form an integral part of these interim condensed financial statements.


MetLife, American International Group and Arab National Bank
Cooperative Insurance Company
(A Saudi Joint Stock Company)

INTERIM STATEMENT OF SHAREHOLDERS' COMPREHENSIVE OPERATIONS

	<i>For the three month period ended 30 September 2016</i>	<i>For the period ended 30 September 2016</i>	<i>For the three month period ended 30 September 2015</i>	<i>For the period ended 30 September 2015</i>
<i>Note</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Appropriation of deficit from insurance operations	(5,487,524)	(18,436,469)	(7,466,973)	(23,301,149)
Special commission income	1,636,807	3,642,183	59,504	325,058
Dividend income	-	384,616	-	339,103
General and administrative expenses	(361,899)	(1,070,038)	(316,755)	(903,658)
NET LOSS BEFORE ZAKAT FOR THE PERIOD	(4,212,616)	(15,479,708)	(7,724,224)	(23,540,646)
Zakat	(250)	(123,245)	(183,567)	(549,770)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(4,212,866)	(15,602,953)	(7,907,791)	(24,090,416)
LOSS PER SHARE:				
Basic and diluted loss per share - restated	9 (0.12)	(0.46)	(0.26)	(0.79)



Managing Director/
Chief Executive Officer



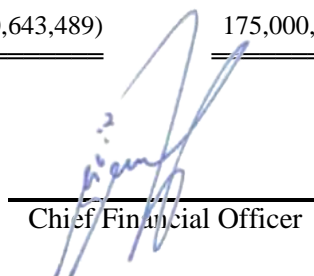
Chief Financial Officer

MetLife, American International Group and Arab National Bank
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INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	<i>Saudi and GCC Shareholders Share Capital SR</i>	<i>Accumulated Deficit SR</i>	<i>Foreign Shareholders Share Capital SR</i>	<i>Accumulated deficit SR</i>	<i>Total Shareholders Share capital SR</i>	<i>Accumulated deficit SR</i>	<i>Total SR</i>
Balance as at 1 January 2016 (Audited)	105,000,000	(52,597,508)	70,000,000	(33,826,243)	175,000,000	(86,423,751)	88,576,249
Issue of share capital	105,000,000	-	70,000,000	-	175,000,000	-	175,000,000
Transaction costs on issue of share capital	-	(2,547,722)	-	(1,698,482)	-	(4,246,204)	(4,246,204)
Net loss for the period	-	(9,287,825)	-	(6,191,883)	-	(15,479,708)	(15,479,708)
Zakat	-	(123,245)	-	-	-	(123,245)	(123,245)
Balance as at 30 September 2016 (Unaudited)	210,000,000	(64,556,300)	140,000,000	(41,716,608)	350,000,000	(106,272,908)	243,727,092
Balance as at 1 January 2015 (Audited)	105,000,000	(33,083,518)	70,000,000	(21,227,231)	175,000,000	(54,310,749)	120,689,251
Net loss for the period	-	(14,124,388)	-	(9,416,258)	-	(23,540,646)	(23,540,646)
Zakat	-	(549,770)	-	-	-	(549,770)	(549,770)
Balance as at 30 September 2015 (Unaudited)	105,000,000	(47,757,676)	70,000,000	(30,643,489)	175,000,000	(78,401,165)	96,598,835


Managing Director/
Chief Executive Officer


Chief Financial Officer

The accompanying notes 1 to 13 form an integral part of these interim condensed financial statements.

MetLife, American International Group and Arab National Bank
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INTERIM STATEMENT OF INSURANCE OPERATIONS' CASH FLOWS

	<i>For the period ended 30 September 2016 SR (Unaudited)</i>	<i>For the period ended 30 September 2015 SR (Unaudited)</i>
OPERATING ACTIVITIES	<i>Note</i>	
Net result for the period	-	-
<i>Adjustments for:</i>		
Shareholders' appropriation from deficit	(18,436,469)	(23,301,149)
Depreciation	1,885,781	2,057,472
Provision for doubtful receivables	3,560,479	1,446,134
Employees' terminal benefits	739,329	475,636
	(12,250,880)	(19,321,907)
<i>Changes in operating assets and liabilities:</i>		
Premiums receivable	(13,107,898)	(46,643,731)
Reinsurers' share of outstanding claims	(5,332,314)	(22,083,259)
Reinsurers' share of unearned premiums	(6,976,935)	(26,424,796)
Reinsurers' share of mathematical reserves	9,725,573	(257,856,497)
Deferred policy acquisition costs	(3,962,761)	(3,481,686)
Prepaid expenses and other assets	(16,006,269)	(7,924,973)
Gross outstanding claims	21,612,114	28,552,245
Gross unearned premiums	(1,375,091)	83,443,071
Gross mathematical reserves	(9,725,573)	257,856,497
Payables, accruals and others	15,825,413	6,520,273
Reinsurance balances payable	(2,948,900)	37,524,167
Unearned reinsurance commission income	2,202,053	3,280,994
Due to related parties	(1,048,807)	(922,943)
Due to/from shareholders' operations	20,660,880	11,743,194
Employees' terminal benefits paid	(3,547)	(12,645)
Net cash (used in) / from operating activities	(2,712,942)	44,248,004
INVESTING ACTIVITIES		
Time Deposits	(15,000,000)	-
Purchase of property and equipment	(328,494)	(326,159)
Net cash used in investing activities	(15,328,494)	(326,159)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(18,041,436)	43,921,845
Cash and cash equivalents at the beginning of the period	64,689,241	2,238,414
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	46,160,259



Managing Director/
Chief Executive Officer


Chief Financial Officer

MetLife, American International Group and Arab National Bank
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INTERIM STATEMENT OF SHAREHOLDERS' CASH FLOWS

		<i>For the period ended 30 September 2016 SR (Unaudited)</i>	<i>For the period ended 30 September 2015 SR (Unaudited)</i>
	<i>Note</i>		
OPERATING ACTIVITIES			
Net loss before Zakat		(15,479,708)	(23,540,646)
<i>Adjustments for:</i>			
Appropriation of deficit from insurance operations		18,436,469	23,301,149
Special commission income		(3,642,183)	(325,058)
Dividends		(384,616)	(339,103)
		(1,070,038)	(903,658)
<i>Changes in operating assets and liabilities:</i>			
Statutory deposit	7	(17,500,000)	-
Due to/from insurance operations		(20,660,880)	(11,743,194)
Prepaid expenses and other assets		4,516,249	(55,604)
Payables, accruals and others		(86,749)	(662,123)
Zakat paid		(481,848)	-
Net cash used in operating activities		(35,283,266)	(13,364,579)
INVESTING ACTIVITIES			
Held to Maturity Investment		(25,000,000)	-
Time deposits		(19,000,000)	85,000,000
Special commission income received		-	374,758
Net cash (used in) / from investing activities		(44,000,000)	85,374,758
FINANCING ACTIVITIES			
Issue of share capital	8	175,000,000	-
Transaction costs on issue of share capital	8	(4,246,204)	-
Net cash from financing activities		170,753,796	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		91,470,530	72,010,179
Cash and cash equivalents at the beginning of the period		66,314,800	11,157,980
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	157,785,330	83,168,159


Managing Director/
Chief Executive Officer


Chief Financial Officer

MetLife, American International Group and Arab National Bank
Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

For the period ended 30 September 2016

1 ORGANISATION AND PRINCIPAL ACTIVITIES

MetLife, American International Group and Arab National Bank Cooperative Insurance Company (the “Company”) is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration numbered 1010391438 dated 22 Dhul-Hijjah 1434H (corresponding to 27 October 2013).

The address of registered office of the Company is as follows:

MetLife, American International Group and Arab National Bank Cooperative Insurance Company
P.O. Box 56437
Riyadh 11554
Kingdom of Saudi Arabia.

The objective of the Company is to transact cooperative insurance operations and related activities in accordance with the Law on Supervision of Cooperative Insurance Companies and its implementing regulations applicable in the Kingdom of Saudi Arabia. Its principal lines of business include individual and group life, accident and health and all classes of general insurance. The Company’s shares were listed on the Saudi Arabian Stock Exchange (“Tadawul”) on 23 Muharram 1435H (corresponding to 26 November 2013).

1.1 METLIFE ALICO PORTFOLIO TRANSFER

The Company has entered into an agreement with MetLife ALICO (30% shareholder) by which MetLife ALICO has transferred its existing Saudi run-off portfolio to the Company effective 01 April 2015. This portfolio includes long-term life Protection and Savings insurance products and Personal Accident policies. The Company reinsures back to MetLife 100% of this portfolio under a quota-share reinsurance agreement. Accordingly, the Company has become the owner of the transferred policies and MetLife has become the reinsurer of this block of business. The transfer of the portfolio was made at book value with no cash payment. Accordingly, the liabilities related to this portfolio were recorded in the Company’s books at book value with an offsetting assets representing the reinsurance share of these liabilities. MetLife paid to the Company a reinsurance commission amounting to SR 1,998,792 for the period ended 30 September 2016 to compensate the cost of capital for this portfolio in addition to reimbursing the Company for all expenses related to the administration of this portfolio by paying an administration fee amounting to SR 1,142,147 for the period ended 30 September 2016 which is booked under “Other underwriting income”.

The portfolio transfer has been approved by the Board of Directors on 16 February 2015 and by the shareholders of the Company in their General Assembly meeting on 12 May 2015. Saudi Arabian Monetary Agency (“SAMA”) has also provided their approval on 28/5/1436 H corresponding to 19 March 2015.

Assets and liabilities of the transferred portfolio as at 30 September 2016 are shown as below:

	<u>Assets</u>		<u>Liabilities</u>
Cash and Cash equivalents	4,027,895	Gross unearned premiums	516,898
Reinsurers’ share of unearned premiums	516,898	Gross outstanding claims	11,272,440
Reinsurers’ share of mathematical reserves	241,929,053	Gross mathematical reserves	241,929,053
Reinsurers’ share of outstanding claims	11,272,440	Reinsurance balances payable	-
Receivable & other assets	362,108	Payable and other liabilities	4,390,003
Total	258,108,394	Total	258,108,394

MetLife, American International Group and Arab National Bank
Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(Continued)

For the period ended 30 September 2016

1.2 MANAFETH AGREEMENT WITH TAWUNIYA

The Company participated in the Manafeth agreement between Tawuniya and the majority of the insurance companies in Saudi Arabia effective 01 January 2015 for co-insuring cars entering into Saudi Arabia from all Saudi borders (except the border with AL-Bahrain). Based on this agreement, all insurance companies participating in this coverage will have an equal share of the net result of this portfolio after allowing for all expenses related to managing this portfolio by Tawuniya. This deal is for three years starting from 01 January 2015 and is expected to renew at same terms. The income related to this portfolio is included in the interim statement of insurance operations under "Other underwriting income" and is allocated to Motor Insurance in the segment reporting.

2 BASIS OF PREPARATION

Basis of preparation

The interim condensed financial statements have been prepared under the historical cost basis.

As required by Saudi Arabian insurance regulations, the Company maintains separate accounts for Insurance Operations and Shareholders' Operations. The physical custody of all assets related to the Insurance Operations and Shareholders' Operations are held by the Company. Revenues and expenses clearly attributable to either activity are recorded in the respective accounts. The basis of allocation of other revenue and expenses from joint operations is as determined by the management and Board of Directors. As per the by-laws of the Company, the deficit arising from the Insurance Operations is allocated fully to Shareholders Operations whereas any surplus arising from the Insurance Operations is distributed as follows:

Shareholders	90%
Policyholders	10%
	<hr/>
	100%

Statement of compliance

The interim condensed financial statements of the Company have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). Accordingly, these interim condensed financial statements are not intended to be a presentation in conformity with the accounting standards generally accepted in the Kingdom of Saudi Arabia, as issued by the Saudi Organization for Certified Public Accountants ("SOCPA").

The interim condensed financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2015.

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 periods presented. The Company's interim results may not be indicative of its annual results.

Functional and presentational currency

The functional and presentation currency of the Company is Saudi Riyals.

3 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE COMPANY

The accounting policies used in the preparation of these interim condensed financial statements are consistent with those used in the preparation of the Company's annual financial statements for the year ended 31 December 2015, except for the adoption of new standards and amendments to existing standards effective for the annual period beginning 01 January 2016.

The nature and the impact of each new standard / amendment are summarized as follows:

MetLife, American International Group and Arab National Bank
Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(Continued)

For the period ended 30 September 2016

Annual improvements to IFRS 2010-2012 and 2011-2013 cycle applicable for annual periods beginning on or after 1 July 2014. A summary of the amendments is contained as under:

- IFRS 3 – “business combinations” amended to clarify the classification and measurement of contingent consideration in a business combination. It has been further amended to clarify that the standard does not apply to the accounting for the formation of all types of joint arrangements in IFRS 11.
- IFRS 8 – “operating segments” has been amended to explicitly require disclosure of judgments made by management in applying aggregation criteria.
- IFRS 13 has been amended to clarify measurement of interest free short term receivables and payables at their invoiced amount without discounting, if the effect of discounting is immaterial. It has been further amended to clarify that the portfolio exception potentially applies to contracts in the scope of IAS 39 and IFRS 9 regardless of whether they meet the definition of a financial asset or financial liability under IAS 32.
- IAS 16 – “Property plant and equipment” and IAS 38 – “intangible assets”: – the amendments clarify the requirements of revaluation model recognizing that the restatement of accumulated depreciation (amortisation) is not always proportionate to the change in the gross carrying amount of the asset.
- IAS 24 – “related party disclosures” – the definition of a related party is extended to include a management entity that provides key management personnel services to the reporting entity, either directly or indirectly.

Standards issued but not yet effective

In addition to the above mentioned standards, the following standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company’s financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. Further, the Company has chosen not to early adopt the amendments and revisions to the International Financial Reporting Standards which have been published and are mandatory for compliance for the Company with effect from future dates.

IFRS 9 Financial Instruments

IFRS 9, as issued, reflects the first phase of the IASB’s work though the adoption date is subject to the recently issued Exposure Draft on the replacement of IAS 39 and applies to classification and measurement of financial assets and liabilities as defined in IAS 39. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to IFRS 9 Mandatory Effective Date of IFRS 9 and Transition Disclosures, issued in December 2011, moved the mandatory effective date to 1 January 2015.

However, on 19 November 2013, the IASB issued IFRS 9 Financial Instruments (Hedge Accounting and amendments to IFRS 9) amending IFRS 9 to include the new general hedge accounting model. In its February 2014 meeting, the IASB decided that IFRS 9 would be mandatorily effective for years ending on or after 31 December 2018.

IFRS 16 Leases

The amended IFRS 16 (Leases) released on January 13, 2016 which changes the set of requirements for the accounting treatment for asset, liability and other complexities such as non-lease element, variable lease period and option periods. The standard is effective from January 01, 2019 with early adoption permitted in certain circumstances.

MetLife, American International Group and Arab National Bank
Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(Continued)

For the period ended 30 September 2016

4 CASH AND CASH EQUIVALENTS

	<i>30 September 2016 (Unaudited)</i>		<i>31 December 2015 (Audited)</i>	
	<i>Insurance operations</i>	<i>Shareholders' operations</i>	<i>Insurance operations</i>	<i>Shareholders' operations</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Cash at banks and in hand	7,619,719	754,330	14,689,241	1,260,553
Short-term deposit with original maturity of three months or less	39,028,086	157,031,000	50,000,000	65,054,247
	46,647,805	157,785,330	64,689,241	66,314,800

Cash at banks are placed with local commercial banks with good investment grade credit ratings.

5 PREMIUMS RECEIVABLE, NET

	<i>30 September 2016 (Unaudited)</i>	<i>31 December 2015 (Audited)</i>
	<i>SR</i>	<i>SR</i>
Premiums receivable	50,092,448	36,984,550
Provision for doubtful debts	(4,883,606)	(1,323,127)
Premiums receivable, net	45,208,842	35,661,423

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

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6 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders and key management personnel of the Company. Pricing policies and term of settlements with related parties are as per the commercial terms. The significant related party transactions and the related balances at the end of the period are set out below:

<i>Related party/ Nature of transactions</i>	<i>Amount of transactions</i>		<i>Balance 30 September 2016 SR (Unaudited)</i>	<i>Balance 31 December 2015 SR (Audited)</i>
	<i>For the period ended 30 September 2016 SR (Unaudited)</i>	<i>For the period ended 30 September 2015 SR (Unaudited)</i>		
Premium receivable from / Commission Payable to a related party				
Arab National Bank (“ANB”) (Shareholder)				
Premiums receivable (advances) on policies sold through agency agreement with ANB agency	7,597,302	56,404,694	1,014,353	547,723
Commission payable on policies sold through agency agreement with ANB agency	898,633	1,223,985	233,104	53,489
Reinsurance balances payable				
American International Group (“AIG”) (Shareholder)				
Reinsurance premiums payable & XOL	11,255,859	10,202,954	15,867,149	9,234,902
Reinsurance commission	2,721,693	2,499,040	-	-
Reinsurance share of paid claims	561,124	21,555	-	-
Delaware American Life Insurance Company (Owned 100% by MetLife)				
Reinsurance premiums payable	3,662,374	1,814,452	1,956,084	75,779
Reinsurance commission	611,472	285,170	-	-
Reinsurance share of paid claims	1,295,534	488,685	-	-
American Life Insurance Company “ALICO” (Owned 100% by MetLife)				
Reinsurance premiums (portfolio transfer)	11,812,769	7,471,541	-	-
Reinsurance commission	1,998,792	-	-	-
Reinsurance share of claims paid (portfolio transfer)	19,929,053	10,164,954	(224,955)	7,505,330

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

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6 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

<i>Related party/ Nature of transactions</i>	<i>Amount of transactions</i>		<i>Balance 30 September 2016 SR (Unaudited)</i>	<i>Balance 31 December 2015 SR (Audited)</i>
	<i>For the period ended 30 September 2016 SR (Unaudited)</i>	<i>For the period ended 30 September 2015 SR (Unaudited)</i>		
Due to related parties				
MetLife (Shareholder)				
General and administrative expenses paid on behalf of the Company and recharged to the Company	-	521,599	(1,766,886)	(624,739)
Administration Fees Income (portfolio transfer)	1,142,147	464,912	-	-
American International Group (“AIG”) (Shareholder)				
General and administrative expenses paid on behalf of the Company and recharged to the Company	93,340	553,116	1,768,376	1,675,036
Total amounts due to related parties			1,490	1,050,297

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (Continued)

For the period ended 30 September 2016

6 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

<i>Related party/ Nature of transactions</i>	<i>Amount of transactions</i>		<i>Balance</i>	<i>Balance</i>
	<i>For the period ended 30 September 2016 SR (Unaudited)</i>	<i>For the period ended 30 September 2015 SR (Unaudited)</i>	<i>30 September 2016 SR (Unaudited)</i>	<i>31 December 2015 SR (Audited)</i>
Commitments and Contingencies				
Arab National Bank (“ANB”) (Shareholder)				
Letters of Guarantee	-	-	3,473,849	3,538,097
Investment activities				
Arab National Bank (“ANB”) (Shareholder)				
Time Deposits	-	-	104,093,500	42,062,500
Special commission income on deposits	1,854,791	185,112	51,985	72,695
Held to Maturity Investment (investment in ANB Sukuk)	-	-	10,000,000	10,000,000
Special commission income on held to maturity investments	209,123	-	159,866	70,649
Key management personnel				
Salaries and other benefits	5,968,756	5,626,081	-	-
Board of Directors and Executive Committees’ fees	572,250	597,750	572,250	718,500

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(Continued)

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7 STATUTORY DEPOSIT

	<i>30 September 2016 (Unaudited) SR</i>	<i>31 December 2015 (Audited) SR</i>
Statutory Deposit (10% of paid-up share capital)	35,000,000	17,500,000
	35,000,000	17,500,000

Statutory deposit represents 10% of the paid up share capital of the Company which is maintained in accordance with the Cooperative Insurance Companies Control Law issued by the Saudi Arabian Monetary Agency (“SAMA”). The Company has increased its capital during March 2016 by SR 175 million through rights issue and accordingly, the Company has increased the Statutory Deposit during March 2016 by additional SR 17.5 million. SAMA is entitled for the income generated on Statutory Deposit which cannot be withdrawn without the consent of SAMA. Commission on Statutory Deposit amounted to SR 366,774 as of 30 September 2016 (SR 174,521 as of 31 December 2015) and was reported separately under Shareholders’ Assets and Shareholders’ Liabilities in accordance with SAMA instructions.

8 SHARE CAPITAL

The authorized, issued and paid-up share capital of the Company is SR 350 million divided into 35 million shares of SAR 10 each (31 December 2015: SR 175 million divided into 17.5 million shares of SR 10 each).

The Company held an extraordinary general assembly of its shareholders on 22 February 2016 to approve the increase in the share capital from SAR 175 million to SAR 350 million through rights issue. Based on the approval received from shareholders at the extraordinary general assembly, the Company proceeded successfully in March 2016 to raise SAR 175 million through a rights issue. Under the terms of the rights issue, the Company offered 17,500,000 ordinary new shares by way of rights to qualifying shareholders at an offer price of SR 10 per share at close of trading on the date of 22 February 2016 (the “Eligibility Date”). The rights were made on the ratio of one right for every one share held by shareholders as of the Eligibility Date. Rights issue transaction costs incurred amounting to SR 4,246,204 was charged to the interim statement of changes in shareholders’ equity.

9 BASIC AND DILUTED LOSS PER SHARE - Restated

Basic and diluted loss per share for the period has been calculated by dividing the net loss for the period by the weighted average number of outstanding shares at the period end.

The weighted average number of shares has been retrospectively adjusted for all prior periods to reflect the bonus element of the rights issue as required by IAS 33, “Earnings per share” as follows:

	<i>For the three month period ended 30 September 2016 SR</i>	<i>For the period ended 30 September 2016 SR</i>	<i>For the three month period ended 30 September 2015 SR</i>	<i>For the period ended 30 September 2015 SR</i>
Issued ordinary shares at the beginning of the period	35,000,000	17,500,000	17,500,000	17,500,000
Adjusted rights issue	-	16,062,956	-	-
Effects of rights issue of shares	-	-	12,250,000	12,250,000
Weighted average number of ordinary shares	35,000,000	33,562,956	29,750,000	29,750,000

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(Continued)

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9 BASIC AND DILUTED LOSS PER SHARE - Restated (continued)

The weighted average number of ordinary shares for prior period is computed using an adjustment factor of 1.7, which is a ratio of the theoretical ex-rights of SR 33.52 and the closing price per share of SR 57.04 on 22 February 2016, the last day on which the shares were traded before the rights issue.

The basic and diluted earnings per share are as follows:

	<i>For the three month period ended 30 September 2016 SR</i>	<i>For the period ended 30 September 2016 SR</i>	<i>For the three month period ended 30 September 2015 SR</i>	<i>For the period ended 30 September 2015 SR</i>
Net loss before Zakat for the period	(4,212,616)	(15,479,708)	(7,724,224)	(23,540,646)
Weighted average number of ordinary shares	35,000,000	33,562,956	29,750,000	29,750,000
Basic and diluted (loss) per share	(0.12)	(0.46)	(0.26)	(0.79)

10 SEGMENT 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.

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

Segment liabilities do not include part of end-of-service indemnities, accrued expenses and other liabilities and due to related parties. Accordingly they are included in unallocated 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.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(Continued)

For the period ended 30 September 2016

10 SEGMENT INFORMATION (Continued)

a) Interim statement of insurance operations

For the three month period ended 30 September 2016 (Unaudited)

	<i>Protection & Savings SR</i>	<i>Health Insurance SR</i>	<i>Motor Insurance SR</i>	<i>Other General Insurance SR</i>	<i>Total SR</i>
Gross written premiums	4,222,019	23,986,456	726,493	7,173,303	36,108,271
Reinsurance premiums ceded	(3,103,583)	(810,783)	-	(6,049,122)	(9,963,488)
Excess of loss premiums	-	-	(17,110)	(50,286)	(67,396)
Net written premiums	1,118,436	23,175,673	709,383	1,073,895	26,077,387
Net changes in unearned premiums	438,711	14,172,895	1,516,436	(515,520)	15,612,522
Net earned premiums	1,557,147	37,348,568	2,225,819	558,375	41,689,909
Reinsurance commission income	709,927	224,825	-	2,031,429	2,966,181
Other underwriting income	286,077	-	1,103,628	-	1,389,705
Underwriting revenue	2,553,151	37,573,393	3,329,447	2,589,804	46,045,795
Gross claims paid	(7,605,828)	(27,771,154)	(1,354,369)	(82,932)	(36,814,283)
Reinsurers' share of claims paid	6,007,058	548,987	-	82,618	6,638,663
Net claims paid	(1,598,770)	(27,222,167)	(1,354,369)	(314)	(30,175,620)
Changes in outstanding claims	209,478	(5,198,112)	(681,785)	255,356	(5,415,063)
Net claims incurred	(1,389,292)	(32,420,279)	(2,036,154)	255,042	(35,590,683)
Commissions incurred	(317,976)	(2,497,127)	(310,190)	(1,292,471)	(4,417,764)
Inspection and supervisory fees	(24,283)	(575,644)	(11,220)	(55,645)	(666,792)
Other direct underwriting expense	-	(178,084)	(69,684)	-	(247,768)
Doubtful debt expense	57,355	(317,335)	(212,633)	469,325	(3,288)
Underwriting expenses	(1,674,196)	(35,988,469)	(2,639,881)	(623,749)	(40,926,295)
Underwriting result	878,955	1,584,924	689,566	1,966,055	5,119,500
Unallocated expenses					(10,987,384)
Unallocated special commission income					380,360
Net deficit for the period from insurance operations					(5,487,524)

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(Continued)

For the period ended 30 September 2016

For the period ended 30 September 2016 (Unaudited)

	<i>Protection & Savings SR</i>	<i>Health Insurance SR</i>	<i>Motor Insurance SR</i>	<i>Other General Insurance SR</i>	<i>Total SR</i>
Gross written premiums	17,562,666	84,234,266	10,188,137	35,961,197	147,946,266
Reinsurance premiums ceded	(12,504,998)	(2,487,433)	-	(33,024,764)	(48,017,195)
Excess of loss premiums	(6,853)	-	(217,177)	(291,088)	(515,118)
Net written premiums	5,050,815	81,746,833	9,970,960	2,645,345	99,413,953
Net changes in unearned premiums	(1,427,197)	15,013,248	(4,815,752)	(418,274)	8,352,025
Net earned premiums	3,623,618	96,760,081	5,155,208	2,227,071	107,765,978
Reinsurance commission income	2,256,570	379,931	-	5,068,336	7,704,837
Other underwriting income	1,142,147	-	2,842,605	-	3,984,752
Underwriting revenue	7,022,335	97,140,012	7,997,813	7,295,407	119,455,567
Gross claims paid	(22,929,273)	(70,255,536)	(2,411,327)	(565,424)	(96,161,560)
Reinsurers' share of claims paid	20,054,053	1,170,534	-	561,124	21,785,711
Net claims paid	(2,875,220)	(69,085,002)	(2,411,327)	(4,300)	(74,375,849)
Changes in outstanding claims	176,332	(14,095,237)	(2,546,067)	185,171	(16,279,801)
Net claims incurred	(2,698,888)	(83,180,239)	(4,957,394)	180,871	(90,655,650)
Commissions incurred	(673,668)	(5,656,085)	(745,975)	(3,363,844)	(10,439,572)
Inspection and supervisory fees	(79,998)	(1,486,976)	(26,843)	(145,154)	(1,738,971)
Other direct underwriting expense	-	(599,069)	(105,713)	(100)	(704,882)
Doubtful debt expense	(62,880)	(2,730,364)	(843,933)	76,698	(3,560,479)
Underwriting expenses	(3,515,434)	(93,652,733)	(6,679,858)	(3,251,529)	(107,099,554)
Underwriting result	3,506,901	3,487,279	1,317,955	4,043,878	12,356,013
Unallocated expenses					(31,797,634)
Unallocated special commission income					1,005,152
Net deficit for the period from insurance operations					(18,436,469)

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(Continued)

For the period ended 30 September 2016

10 SEGMENT INFORMATION (Continued)

a) Interim statement of insurance operations

For the three month period ended 30 September 2015 (Unaudited)

	<i>Protection & Savings SR</i>	<i>Health Insurance SR</i>	<i>Motor Insurance SR</i>	<i>Other General Insurance SR</i>	<i>Total SR</i>
Gross written premiums	3,310,441	52,430,069	-	3,837,163	59,577,673
Reinsurance premiums ceded	(3,182,699)	(257,486)	-	(2,743,264)	(6,183,449)
Excess of loss premiums	-	-	-	(167,229)	(167,229)
Net written premiums	127,742	52,172,583	-	926,670	53,226,995
Net changes in unearned premiums	1,132,426	(47,501,654)	-	(436,676)	(46,805,904)
Net earned premiums	1,260,168	4,670,929	-	489,994	6,421,091
Reinsurance commission income	479,550	76,642	-	675,032	1,231,224
Other underwriting income	329,165	-	274,741	-	603,906
Underwriting revenue	2,068,883	4,747,571	274,741	1,165,026	8,256,221
Gross claims paid	(10,105,676)	(1,174,094)	-	(738)	(11,280,508)
Reinsurers' share of claims paid	8,728,716	239,793	-	369	8,968,878
Net claims paid	(1,376,960)	(934,301)	-	(369)	(2,311,630)
Changes in outstanding claims	1,481,070	(2,865,623)	-	(488,785)	(1,873,338)
Net claims incurred	104,110	(3,799,924)	-	(489,154)	(4,184,968)
Commissions incurred	(211,145)	(226,551)	-	(470,997)	(908,693)
Inspection and supervisory fees	(28,292)	44,425	-	126,919	143,052
Other direct underwriting expense	-	(125,491)	-	(20,049)	(145,540)
Doubtful debt expense	(39,611)	(652,086)	-	(794,505)	(1,486,202)
Underwriting expenses	(174,938)	(4,759,627)	-	(1,647,786)	(6,582,351)
Underwriting result	1,893,945	(12,056)	274,741	(482,760)	1,673,870
Unallocated expenses					(9,140,843)
Net deficit for the period from insurance operations					(7,466,973)

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(Continued)

For the period ended 30 September 2016

For the period ended 30 September 2015 (Unaudited)

	<i>Protection & Savings SR</i>	<i>Health Insurance SR</i>	<i>Motor Insurance SR</i>	<i>Other General Insurance SR</i>	<i>Total SR</i>
Gross written premiums	13,766,634	62,932,412	-	34,409,757	111,108,803
Reinsurance premiums ceded	(8,772,427)	(1,824,104)	-	(31,922,582)	(42,519,113)
Excess of loss premiums	-	-	-	(290,312)	(290,312)
Net written premiums	4,994,207	61,108,308	-	2,196,863	68,299,378
Net changes in unearned premiums	(2,129,198)	(53,913,357)	-	(975,720)	(57,018,275)
Net earned premiums	2,865,009	7,194,951	-	1,221,143	11,281,103
Reinsurance commission income	959,339	195,318	-	1,508,194	2,662,851
Other underwriting income	464,912	-	593,667	-	1,058,579
Underwriting revenue	4,289,260	7,390,269	593,667	2,729,337	15,002,533
Gross claims paid	(17,430,248)	(2,068,520)	-	(322,030)	(19,820,798)
Reinsurers' share of claims paid	16,053,288	488,685	-	321,554	16,863,527
Net claims paid	(1,376,960)	(1,579,835)	-	(476)	(2,957,271)
Changes in outstanding claims	(951,244)	(4,405,736)	-	(1,112,006)	(6,468,986)
Net claims incurred	(2,328,204)	(5,985,571)	-	(1,112,482)	(9,426,257)
Commissions incurred	(475,006)	(403,038)	-	(1,070,352)	(1,948,396)
Inspection and supervisory fees	(56,255)	(113,110)	-	(24,843)	(194,208)
Other direct underwriting expense	-	(225,127)	-	(27,168)	(252,295)
Doubtful debt expense	(45,536)	(670,904)	-	(729,694)	(1,446,134)
Underwriting expenses	(2,905,001)	(7,397,750)	-	(2,964,539)	(13,267,290)
Underwriting result	1,384,259	(7,481)	593,667	(235,202)	1,735,243
Unallocated expenses					(25,036,392)
Net deficit for the period from insurance operations					(23,301,149)

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(Continued)

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10 SEGMENT INFORMATION (Continued)

b) Insurance operations' assets and liabilities

September 30, 2016 (Unaudited)

	<i>Protection & Savings SR</i>	<i>Health Insurance SR</i>	<i>Motor Insurance SR</i>	<i>Other General Insurance SR</i>	<i>Unallocated SR</i>	<i>Total SR</i>
Insurance operations' assets						
Cash and cash equivalents	-	36,000,000	-	-	10,647,805	46,647,805
Premiums receivable, net	641,368	25,518,308	4,391,544	14,657,622	-	45,208,842
Reinsurers' share of unearned premiums	342,818	658,221	-	33,598,628	-	34,599,667
Reinsurers' share of mathematical reserves	241,929,053	-	-	-	-	241,929,053
Reinsurers' share of outstanding claims	11,467,684	358,020	-	13,430,254	-	25,255,958
Deferred policy acquisition costs	387,931	4,152,262	679,643	3,600,788	-	8,820,624
Prepaid expenses and other assets	-	19,565,652	70,716	299,845	9,794,311	29,756,335
Time deposits	-	-	-	-	15,000,000	15,000,000
Due from shareholders operations	-	-	-	-	5,785,700	5,785,700
Property and equipment, net	-	-	-	-	4,199,866	4,199,866
TOTAL INSURANCE OPERATIONS' ASSETS	254,794,664	86,252,463	5,141,903	65,587,138	45,427,682	457,203,850
Insurance operations' liabilities						
Gross unearned premiums	2,648,988	47,784,597	4,984,714	35,237,677	-	90,655,976
Gross outstanding claims	13,254,885	30,391,311	2,719,181	14,898,810	-	61,264,187
Gross mathematical reserves	241,929,053	-	-	-	-	241,929,053
Payables, accruals and others	758,443	22,651,558	1,080,270	1,402,408	2,804,718	28,697,397
Reinsurance balances payable	1,190,680	795,489	264,654	24,675,582	-	26,926,405
Unearned reinsurance commission income	85,913	127,372	-	5,742,789	-	5,956,074
Due to related parties	-	-	-	-	1,490	1,490
Employees' terminal benefits	-	-	-	-	1,773,268	1,773,268
TOTAL INSURANCE OPERATIONS' LIABILITIES	259,867,962	101,750,327	9,048,819	81,957,266	4,579,476	457,203,850

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(Continued)

For the period ended 30 September 2016

10 SEGMENT INFORMATION (Continued)

b) Insurance operations' assets and liabilities

31 December 2015 (Audited)

	<i>Protection & Savings SR</i>	<i>Health Insurance SR</i>	<i>Motor Insurance SR</i>	<i>Other General Insurance SR</i>	<i>Unallocated SR</i>	<i>Total SR</i>
Insurance operations' assets						
Cash and cash equivalents	-	50,000,000	-	-	14,689,241	64,689,241
Premiums receivable, net	318,524	17,020,050	85,666	18,237,183	-	35,661,423
Reinsurers' share of unearned premiums	178,864	147,265	-	27,296,603	-	27,622,732
Reinsurers' share of mathematical reserves	251,654,626	-	-	-	-	251,654,626
Reinsurers' share of outstanding claims	12,222,662	300,053	-	7,400,929	-	19,923,644
Deferred policy acquisition costs	153,059	2,320,193	13,983	2,370,628	-	4,857,863
Prepaid expenses and other assets	17,742	3,603,685	3,993	251,632	9,873,014	13,750,066
Due from shareholders operations	-	-	-	-	8,010,111	8,010,111
Property and equipment, net	-	-	-	-	5,757,153	5,757,153
TOTAL INSURANCE OPERATIONS' ASSETS	264,545,477	73,391,246	103,642	55,556,975	38,329,519	431,926,859
Insurance operations' liabilities						
Gross unearned premiums	1,057,837	62,286,890	168,962	28,517,378	-	92,031,067
Gross outstanding claims	14,186,195	16,238,108	173,114	9,054,656	-	39,652,073
Gross mathematical reserves	251,654,626	-	-	-	-	251,654,626
Payables, accruals and others	(7,474)	3,584,400	7,010	1,590,248	7,697,800	12,871,984
Reinsurance balances payable	8,158,119	(50,935)	4,856	21,763,265	-	29,875,305
Unearned reinsurance commission income	44,440	36,828	-	3,672,753	-	3,754,021
Due to related parties	-	-	-	-	1,050,297	1,050,297
Employees' terminal benefits	-	-	-	-	1,037,486	1,037,486
TOTAL INSURANCE OPERATIONS' LIABILITIES	275,093,743	82,095,291	353,942	64,598,300	9,785,583	431,926,859

MetLife, American International Group and Arab National Bank
Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(Continued)

For the period ended 30 September 2016

11 COMMITMENTS AND CONTINGENCIES

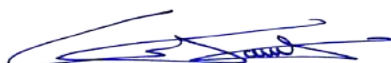
At 30 September 2016, Letters of Guarantee amounting to SR 3,499,207 were outstanding in favour of medical providers and general insurance tenders (SR 3,538,097 as at 31 December 2015). These letters of guarantee were issued against cash margin amounting to SR 3,473,849 and SR 3,538,097 as at 30 September 2016 and 31 December 2015 respectively which is classified under prepaid expenses and other assets in the interim statement of financial position. There were no other commitments, contingencies, or outstanding legal proceedings or disputes of material nature.

12 COMPARATIVE FIGURES

Certain figures for the prior period have been reclassified to conform to the presentation made in the current period; however the impact of such reclassifications was not material to the overall presentation of the interim financial statements.

13 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements have been approved by the management on 16-Muharram-1438H corresponding to (17-October-2016 G).



Managing Director/
Chief Executive Officer



Chief Financial Officer