

ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)

UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REVIEW REPORT

FOR THE THREE AND SIX –MONTHS PERIOD ENDED 30 JUNE 2022

**ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITORS' REVIEW REPORT
FOR THE THREE AND SIX-MONTHS PERIOD ENDED 30 JUN 2022**

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**Crowe**

Al Azem, Al Sudairy, Al Shaikh & Partners
For Professional Consulting
Member Crowe Global



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Certified Accountants And Auditors

**INDEPENDENT AUDITORS' REPORT
ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS**

**TO THE SHAREHOLDERS OF
ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
Kingdom of Saudi Arabia**

INTRODUCTION

We have reviewed the accompanying interim condensed statement of financial position of **Arabia Insurance Cooperative Company** - (the "Company") as at 30 June 2022, and the related interim condensed statements of income, comprehensive income for the three and six month periods then ended and changes in shareholders' equity and cash flows for the six month period then ended and a summary of significant accounting policies and other explanatory notes ("interim condensed financial statements"). Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements is not prepared, in all material respects, in accordance with IAS 34, 'as endorsed in the Kingdom of Saudi Arabia.

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22 August 2022
24 Muharram 1444H



ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF INCOME (UNAUDTED)
FOR THE SIX-MONTHS PERIOD ENDED 30 June 2022
Expressed in Saudi Riyals

	Notes	30 June 2022 (Unaudited)	31 December 2021 (Audited)
ASSETS			
Cash and cash equivalents	4	112,597,913	85,343,072
Premiums and reinsurance receivables, net	5	273,566,948	150,976,952
Reinsurers' share of unearned premiums	7-2	71,252,930	47,877,264
Reinsurers' share of outstanding claims	7-1	1,005,115,332	70,586,696
Reinsurers' share of claims incurred but not reported	7-1	6,555,742	8,345,878
Deferred policy acquisition costs		22,536,427	11,122,225
Deferred Excess of loss expenses		3,139,181	-
Investments	6	151,144,096	141,032,418
Due from related party	11	83,346	83,346
Prepayments and other assets		28,335,343	24,203,083
Right-of-use assets		2,136,097	3,214,715
Time deposits		30,110,144	57,460,919
Property and equipment, net		8,427,886	7,417,955
Statutory deposit		40,000,000	40,000,000
Return on statutory deposit		4,709,747	4,493,686
TOTAL ASSETS		1,759,711,132	652,158,209
LIABILITIES			
Accounts payable		17,536,755	17,106,089
Accrued expenses and other liabilities		35,791,443	23,959,923
Reinsurers' balance payables		56,619,677	31,008,133
Unearned premiums	7-2	307,023,342	168,094,359
Unearned reinsurance commission		12,277,715	3,460,509
Outstanding claims	7-1	1,035,434,646	104,492,463
Claims incurred but not reported	7-1	51,397,820	52,970,390
Premium deficiency reserve and other reserves	7-1	3,906,661	8,965,000
Due to related parties	11	495,802	198,882
Provision for end of service benefits		11,062,183	10,479,356
Zakat and income tax accrued	12	5,417,853	7,652,889
Lease liability		1,624,310	2,742,492
Return on investment of accrued statutory deposit		4,709,747	4,493,686
TOTAL LIABILITIES		1,543,297,954	435,624,171
INSURANCE OPERATIONS' ACCUMULATED SURPLUS			
Accrued surplus distributions		1,545,834	1,438,544
Actuarial loss on defined benefit plan		(543,842)	(543,842)
TOTAL LIABILITIES & ACCUMULATED SURPLUS		1,544,299,946	436,518,873
SHAREHOLDERS' EQUITY			
Share Capital	13	265,000,000	265,000,000
Accumulated losses		(49,007,898)	(49,496,359)
Investment revaluation reserve		(580,916)	135,695
TOTAL SHAREHOLDERS' EQUITY		215,411,186	215,639,336
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,759,711,132	652,158,209

Chief Financial Officer

Authorized Board Member

Chief Executive Officer

The accompanying notes 1 to 19 form part of these interim condensed financial statements.

ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF INCOME (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 June 2022
Expressed in Saudi Riyals

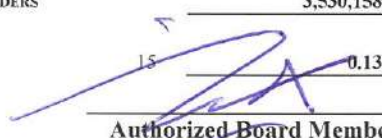
Notes	For the Three months period ended		For the Six months period ended	
	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)
REVENUES				
Gross premiums written				
- Direct	156,475,099	65,251,335	373,195,258	240,845,341
Reinsurance premiums ceded				
- Foreign	(27,340,243)	(17,432,068)	(77,821,257)	(61,338,365)
- Local	(10,424,728)	(9,543,741)	(12,292,089)	(18,688,955)
Excess of loss expenses	(1,569,593)	(1,225,344)	(3,139,187)	(2,450,688)
Net premiums written	117,140,535	37,050,182	279,942,725	158,367,333
Changes in unearned premiums, net	(23,927,844)	26,465,347	(115,553,317)	(35,125,019)
Net premiums earned	93,212,691	63,515,529	164,389,408	123,242,314
Reinsurance commission earned	5,434,290	5,611,083	12,900,919	10,874,045
Other income	2,297,934	-	2,297,934	1,488,265
NET REVENUES	100,944,915	69,126,612	179,588,261	135,604,624
UNDERWRITING COSTS AND EXPENSES				
Gross claims paid	(65,724,193)	(65,987,418)	(146,009,319)	(128,122,081)
Reinsurers' share of claims paid	6,121,913	11,422,379	17,706,686	23,530,065
Net claims paid	(59,602,280)	(54,565,039)	(128,302,633)	(104,592,016)
Changes in outstanding claims, net	(3,225,147)	7,883,520	3,586,453	11,528,467
Changes in claims incurred but not reported, net	(5,737,566)	3,342,000	(217,566)	6,540,000
Net claims incurred	(68,564,993)	(43,339,519)	(124,933,746)	(86,523,549)
Policy acquisition costs	(9,416,147)	(8,849,773)	(17,511,298)	(15,321,635)
Changes in premium deficiency reserve and other reserves	1,664,762	2,613,000	5,058,339	1,771,000
TOTAL UNDERWRITING COSTS AND EXPENSES	(76,316,378)	(49,576,292)	(137,386,705)	(100,074,184)
NET UNDERWRITING INCOME	24,628,537	19,550,320	42,201,556	35,530,440
OTHER OPERATING (EXPENSES) / INCOME				
Reverse for doubtful debts	529,940	(5,150,246)	472,060	(2,615,670)
General and administrative expenses	(21,792,486)	(15,430,856)	(42,589,066)	(32,491,515)
Commission income on deposits	503,140	191,084	823,150	424,026
Gains on sold available for sale investments	6	1,537,538		1,537,538
Dividend income	768,317	979,154	1,688,051	1,752,095
TOTAL OTHER OPERATING EXPENSES / (INCOME)	(19,991,089)	(17,873,326)	(39,605,805)	(31,393,526)
Total income for the period before zakat and income tax	4,637,448	1,676,994	2,595,751	4,136,914
Zakat and income tax	12	(1,000,000)	(2,000,000)	(3,619,932)
Net income / (loss) for the period after zakat and income tax	3,637,448	176,994	595,751	516,982
Income for the period attributed to the insurance operations	(107,290)	-	(107,290)	(141,598)
INCOME / (LOSS) FOR THE PERIOD ATTRIBUTED TO THE SHAREHOLDERS	3,530,158	176,994	488,461	375,384

Basic earnings / (loss) per share



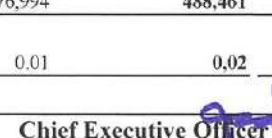
Chief Financial Officer

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Authorized Board Member

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Chief Executive Officer

The accompanying notes 1 to 19 form part of these interim condensed financial statements.

ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX AND SIX-MONTHS PERIOD ENDED 30 June 2022
Expressed in Saudi Riyals

	The three months period ended		The six months period ended	
	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)
Income / (loss) for the period attributed to the shareholders	3,637,448	176,994	595,751	516.982
Other comprehensive income: <i>Items may be reclassified to statements of income in subsequent periods</i>				
- Net change in fair value	(1,072,628)	(1,006,058)	(716,611)	(596,094)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	2,564,820	(829,064)	(120,860)	(79,112)
Total comprehensive income attributed to the insurance operations	(107,290)	-	(107,290)	(141.598)
Total comprehensive income / (loss) attributable to the shareholders	2,457,530	(829,064)	(228,150)	(220.710)



Chief Financial Officer



Authorized Board Member






Chief Executive Officer

The accompanying notes 1 to 19 form part of these interim condensed financial statements.

ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 June 2022

Expressed in Saudi Riyals

	Share capital	Accumulated losses	Investment revaluation reserve	Total Shareholders' Equity
30 June, 2022				
Balance, beginning of the period	265,000,000	(49,496,359)	135,695	215,639,336
Total comprehensive income for the period:				
Net income for the period attributable to the shareholders		488,461		488,461
Changes in fair values of available for sale investments			(716,611)	(716,611)
Total comprehensive income for the period		488,461	(716,611)	(228,150)
Balance, ending of the period (unaudited)	265,000,000	(49,007,898)	(580,916)	215,411,186
30 June, 2021				
Balance, beginning of the period	265,000,000	(43,978,974)	745,267	221,766,293
Total comprehensive loss for the period:				
Net loss for the period attributable to the shareholders	-	375,384	-	375,384
Changes in fair values of available for sale investments	-	-	(596,094)	(596,094)
Total comprehensive loss for the period	-	375,384	(596,094)	(220,710)
Balance, ending of the period (unaudited)	265,000,000	(43,603,590)	149,173	221,545,583
				
	Authorized Board Member			Chief Executive Officer
				
	Chief Financial Officer			

The accompanying notes 1 to 19 form part of these interim condensed financial statements.

ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX-MONTHS PERIOD ENDED 30 June 2022
Expressed in Saudi Riyals

	Notes	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income / (loss) for the period		595,751	516,982
Adjustments for non-cash items:			
Depreciation of property and equipment		1,284,649	1,243,023
Gain on sale of property and equipment		-	-
Depreciation of Right-of-use assets		1,078,618	1,078,619
Finance charges		46,177	89,949
Allowance for doubtful debts		(472,060)	2,615,670
Gains on sale of available for sale investments		-	(1,537,538)
Provision for end-of-service benefits		732,000	831,175
Accrued zakat and income tax		2,000,000	3,619,932
		5,265,135	8,457,812
Changes in operating assets and liabilities:			
Premiums and reinsurance receivables		(122,117,936)	(49,915,920)
Reinsurers' share of unearned premiums		(23,375,666)	(21,701,775)
Reinsurers' share of outstanding claims		(934,528,636)	(31,311,060)
Reinsurers' share of claims incurred but not reported		1,790,136	1,776,000
Deferred policy acquisition costs		(11,414,202)	(5,507,464)
Deferred excess loss expense		(3,139,182)	(2,450,682)
Due from related parties		-	9,652
Prepaid expenses and other assets		(4,132,260)	(892,303)
Accounts payable		430,666	69,507
Accrued expenses and other liabilities		11,831,521	2,953,757
Reinsurers' balances payable		25,611,544	18,253,382
Unearned premiums		138,928,983	56,826,794
Unearned reinsurance commission		8,817,206	3,009,253
Outstanding claims		930,942,183	19,782,593
Claims incurred but not reported		(1,572,570)	(8,316,000)
Premium deficiency reserve and other reserves		(5,058,339)	(1,771,000)
Accrued surplus distribution		-	-
Due to related parties		296,920	243,792
Cash used in operating activities		18,575,503	(10,483,662)
Zakat and income tax paid		(4,235,036)	(4,676,950)
End-of-service benefits paid		(149,173)	(357,158)
Net cash used in operating activities		14,191,294	(15,517,770)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Additions) / disposals in investments		(10,828,289)	(10,392,577)
(Additions) / disposals in time deposits		27,350,775	(13,481,767)
Additions in property and equipment		(2,294,581)	(2,036,553)
Net cash from investing activities		14,227,905	(25,910,897)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liabilities paid		(1,164,358)	(1,162,506)
Net cash used in financing activities		(1,164,358)	(1,162,506)
Net change in cash and cash equivalents		27,254,841	(42,591,173)
Cash and cash equivalents at the beginning of the period		85,343,072	149,327,454
Cash and cash equivalents at the end of the period	4	112,597,913	106,736,281
NON- CASH TRANSACTIONS:			
Changes in fair value of available for sale investments	6	(716,611)	(596,094)

Chief Financial Officer

Authorized Board Member

Chief Executive Officer

The accompanying notes 1 to 19 form part of these interim condensed financial statements.

ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTHS PERIOD ENDED 30 June 2022

1. ORGANISATION AND PRINCIPAL ACTIVITIES

Arabia Insurance Cooperative Company (the “Company”) is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under commercial registration number 1010243302 dated 18 Muharram 1429H (corresponding to 27 January 2008). The registered address of the Company is P.O. Box 28655, Riyadh 11323, Kingdom of Saudi Arabia.

The objectives of the Company is to transact cooperative insurance business and carry out related activities in the Kingdom of Saudi Arabia. Its principal activity includes all classes of general insurance, medical insurance, savings and protection. The Company was listed on the Saudi Stock Exchange (Tadawul) on 26 Muharram 1429H (corresponding to 4 February 2008). The Company started insurance and reinsurance operations on 4 Muhram 1430H (corresponding to 1 January 2009).

On 14 Jumada Thani 1435H (corresponding to 14 April 2014), the Saudi Central Bank (SAMA) issued official approval numbered 351000076885 to amend the licence issued to the Company number TMN/15/20086 to transact insurance and reinsurance activities to be restricted to insurance activities only.

The Company amended the Articles of Association in line with the amendments of the Saudi Companies Regulations issued in 1437H (2015).

2. BASIS OF PREPARATION

a) Basis of presentation:

The interim condensed financial statements of the company have been prepared in accordance with International Accounting Standard 34 - Initial Financial Report approved in the Kingdom of Saudi Arabia and other standards and publications issued by the Saudi Organization for Chartered and Professional Accountants.

The interim condensed financial statements of the company were prepared for the period ended on June 30, 2022, in accordance with International Accounting Standard 34 adopted in the Kingdom of Saudi Arabia and the Insurance Control Law and corporate regulations in the Kingdom of Saudi Arabia.

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

The financial statements are prepared on the going concern basis and on the historical cost basis, except for available-for-sale investments where they are measured at fair value and end of service benefits are measured at present value. The balance sheet is not displayed using the current / non-current classification. Nevertheless, the following balances are generally classified in circulation: cash and cash equivalents, short time deposits , premiums and reinsurance receivables , net, Reinsurers’ share of unearned premiums , Reinsurers’ share of outstanding claims , Reinsurers’ share of claims incurred but not reported, Deferred policy acquisition costs, Accounts payable , Accrued expenses and other liabilities , Reinsurers’ balance payables, Unearned premiums , Unearned reinsurance commission, Outstanding claims, Claims incurred but not reported, Premium deficiency reserve and other reserves ,Accrued surplus distributions ,Zakat and income tax accrued and Due to related parties.

The following balances are generally classified as non-current: Investments, Property and equipment, intangible assets, Statutory deposit, end of service benefits, and right of use assets.

ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX-MONTHS PERIOD ENDED 30 June 2022

2. BASIS OF PREPARATION (continued)

a) Basis of presentation: (continued)

The statement of financial position, statements of income, comprehensive income and cash flows of the insurance operations and shareholders' operations which are presented in Note 16 of the financial statements have been provided as supplementary financial information to comply with the requirements of the guidelines issued by SAMA implementing regulations. SAMA implementing regulations requires the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders' operations. Accordingly, the statements of financial position, statements of income, comprehensive income and cash flows prepared for the insurance operations and shareholders operations as referred to above, reflect only the assets, liabilities, income, expenses and comprehensive gains or losses of the respective operations.

In preparing the Company-level financial statements in compliance with IFRS, the balances and transactions of the insurance operations are amalgamated and combined with those of the shareholders' operations. Inter-operation balances, transactions and unrealised gains or losses, if any, are eliminated in full during amalgamation. The accounting policies adopted for the insurance operations and shareholders' operations are uniform for transactions and events in similar circumstances.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and must be read in conjunction with the annual financial statements of the company as they are on December 31, 2021.

The interim condensed financial statements are expressed in Saudi riyals.

b) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires the use of estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results ultimately may differ from those estimates. Moreover, the company has reviewed the main sources to estimate the uncertainty disclosed in the latest annual financial statements regarding the Coronavirus (Covid-19) pandemic, moreover, the company has considered the following:

Impact of Covid-19

On 11 March 2020, the World Health Organisation ("WHO") declared the Coronavirus ("COVID-19") outbreak as a pandemic in recognition of its rapid spread across the globe. This outbreak has also affected the GCC region including the Kingdom of Saudi Arabia. Governments all over the world took steps to contain the spread of the virus. Saudi Arabia in particular has implemented closure of borders, released social distancing guidelines and enforced country wide lockdowns and curfews.

In response to the spread of the Covid-19 virus in the GCC and other where the Company operates and its consequential disruption to the social and economic activities in those markets, the Company's management has proactively assessed its impacts on its operations and has taken a series of proactive and preventative measures and processes to ensure:

- The health and safety of its employees and the wider community where it is operating
- The continuity of its business throughout the Kingdom is protected and kept intact.

The major impact of Covid-19 pandemic is seen in medical and motor line of business as explained below. As with any estimate, the projections and likelihoods of occurrence are underpinned by significant judgment and rapidly evolving situation and uncertainties surrounding the duration and severity of the pandemic, and therefore, the actual outcomes may be different to those projected.

The impact of such uncertain economic environment is judgmental, and the Company will continue to reassess its position and the related impact on a regular basis.

ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX-MONTHS PERIOD ENDED 30 June 2022

2. BASIS OF PREPARATION (continued)

Significant accounting judgements, estimates and assumptions (continued)

Medical technical reserve

Based on the management's assessment, the management believes that the Government's decision to assume the medical treatment costs for both Saudi citizens and expatriates has helped in reducing any unfavorable impact. During the lockdown, the Company saw a decline in medical reported claims (majorly elective and non-chronic treatment claims) which resulted in a drop in claims experience. However, subsequent to the lifting of lockdown since 21 June 2020, the Company is experiencing a surge in claims which is in line with the expectations of the Company's management. The Company's management has duly considered the impact of surge in claims in the current estimate of future contractual cash flows of the insurance contracts in force as at 30 June 2022 for its liability adequacy test.

Motor technical reserves

In response to the Covid-19 pandemic, SAMA issued a circular 189 (the "circular") dated 08 May 2020 to all insurance companies in the Kingdom of Saudi Arabia. Amongst other things, the circular instructed insurance companies to extend the period of validity of all existing retail motor insurance policies by further two months as well as providing a two-month additional coverage for all new retail motor policies written within one month of this circular.

The Management, in conjunction with its appointed actuary, deliberated on a variety of internal factors and concluded, that the Company considers the extension of two months in exiting motor policies as new policy and record a premium deficiency reserve based on the expected claims for the extended two months' period.

For new policies written as per above circular, the premium is earned over the period of coverage i.e 14 month as per the Company accounting policy. There is no material impact on the two-month period of the premiums earned as on June 30, 2022, due to the absence of large amounts for the premiums that were subscribed during the one-month period.

Financial assets

To cater for any potential impacts, the Covid-19 pandemic may have had on the financial assets of the Company, the Company has performed an assessment in accordance with its accounting policy, to determine whether there is an objective evidence that a financial asset or a group of financial assets has been impaired. For debt financial assets, these include factors such as, significant financial difficulties of issuers or debtors, default or delinquency in payments, probability that the issuer or debtor will enter bankruptcy or other financial reorganization, etc.

In case of equities classified under available-for-sale, the Company has performed an assessment to determine whether there is a significant or prolonged decline in the fair value of financial assets below their cost.

Based on these assessments, the Company's management believes that the Covid-19 pandemic has had no material effects on Company's reported results for the six months' period ended 30 June 2022. The Company's management continues to monitor the situation closely.

ARABIA INSURANCE COOPERATIVE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
FOR THE SIX-MONTHS PERIOD ENDED 30 June 2022

3. NEW STANDARDS AND AMENDMENTS TO STANDARDS AND INTERPRETATIONS

The significant accounting policies and risk management policies adopted in preparing these condensed interim financial statements are consistent with those that are followed in preparing the annual financial statements of the company for the year ended December 31, 2021.

New standards were issued, but not yet effective

The standards and interpretations that were issued, but were not effective until the date of issuance of the initial financial statements of the company, are disclosed below. The Company intends to adopt these standards, if required, when they become effective.

IFRS 9 Financial Instruments

IFRS 9, as issued, reflects the first phase of the IASB's work although the date of approval is subject to the recently issued exposure draft on replacing IAS 39 and applies to the classification and measurement of financial assets and liabilities as defined in the IAS International 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 Transfer Disclosures, issued in December 2011, move the mandatory effective date to January 1, 2015.

However, on November 19, 2013, the International Accounting Standards Board issued IFRS 9 Financial Instruments (Hedge Accounting and Amendments to IFRS 9) amending IFRS 9 to include the new general hedge accounting model. At its February 2014 meeting, the International Accounting Standards Board decided that IFRS 9 would be effective and mandatory for annual reporting periods beginning on or after January 1, 2018, with an optional temporary exception to postpone the application of IFRS 9 until January 1, 2022. For companies whose activities are mostly associated with insurance. In line with other insurance companies in the Kingdom of Saudi Arabia, the company has postponed the application of IFRS 9 until 1 January 2023 to comply with the adoption of IFRS 17.

IFRS 17 Insurance Contracts

The International Accounting Standards Board issued IFRS 17 in May 2017. IFRS 17 will be mandatory for annual reporting periods beginning on or after January 1, 2023. Once it becomes effective, the IFRS becomes available. Financial No. 17 replaces IFRS 4 that was issued in 2005. The overall goal of IFRS 17 is to provide a more useful and consistent accounting model for insurance contracts between entities that issue insurance contracts globally. The company is in the process of evaluating the impact of IFRS 17.

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4. CASH AND CASH EQUIVALENTS

	30 June 2022 (Unaudited) SR		
	<i>Insurance operations</i> <i>SR</i>	<i>Shareholders' Operations</i> <i>SR</i>	<i>Total</i> <i>SR</i>
Cash and bank	51,656,149	3,767,086	55,423,235
Time deposits	20,000,000	37,174,678	57,174,678
Total	71,656,149	40,941,764	112,597,913

	31 December 2021 (Audited) SR		
	<i>Insurance operations</i> <i>SR</i>	<i>Shareholders' Operations</i> <i>SR</i>	<i>Total</i> <i>SR</i>
Cash and Bank	26.223.807	1,098,726	27,322,533
Time deposits	-	58,020,539	58,020,539
Total	26.223.807	59,119,265	85.343.072

5. PREMIUMS AND REINSURANCE RECEIVABLES, NET

Premiums and reinsurance receivables comprise of the following:

	30 June 2022 (Unaudited) SR	31 December 2021 (Audited) SR
Policyholders	304,416,964	190,709,753
Less: Provision for doubtful debt	(49,232,855)	(49,376,279)
Net premiums receivables	255,184,109	141,333,474
Reinsurance balances receivable	21,657,957	13,247,232
Less: Provision for doubtful debt	(3,275,118)	(3,603,754)
Net reinsurance balances receivable	18,382,839	9,643,478
Total premiums and reinsurance balances receivable, net	273,566,948	150,976,952

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6. INVESTMENTS

Investments comprise of the following:

	30 June 2022 (Unaudited)		
	Insurance operations	Shareholders' Operations	Total
	SR	SR	SR
Investments available for sale	-	67,975,902	67,975,902
Investments held to maturity *	31,528,125	51,640,069	83,168,194
Total	31,528,125	119,615,971	151,144,096

	31 December 2021 (Audited)		
	Insurance operations	Shareholders' Operations	Total
	SR	SR	SR
Investments available for sale	-	62,292,662	62,292,662
Investments held to maturity *	31,903,125	46,836,631	78,739,756
Total	31,903,125	109,129,293	141,032,418

* Bonds are stated in the statement of financial position at amortized cost. The fair value of investments acquired to maturity amounted to SR 80,939,821 (31 December 2021: SR 81,096,303).

- The movement in investments is as follows:

	Insurance operations	
	30 June 2022 (Unaudited) SR	31 December 2021 (Audited) SR
Beginning balance	31,903,125	32,653,125
Additions	750,000	-
Disposals	(1,125,000)	(750,000)
Ending balance	31,528,125	31,903,125

	Shareholders' operations	
	30 June 2022 (Unaudited) SR	31 December 2021 (Audited) SR
Beginning balance	109,129,293	71,500,387
Additions	33,928,312	148,292,189
Disposals	(22,725,023)	(112,728,712)
Net additions and disposals	11,203,289	35,563,477
Realized profit during the period / year	-	2,675,001
Change in fair value of investments	(716,611)	(609,572)
Ending balance	119,615,971	109,129,293

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7. TECHNICAL RESERVES

7-1. Net outstanding claims and other reserves

Net outstanding claims and other reserves comprise of the following:

	30 June 2022 (Unaudited) SR	31 December 2021 (Audited) SR
Outstanding claims	1,045,980,634	116,579,038
Less: Realizable value of salvage and subrogation	(10,545,988)	(12,086,575)
	1,035,434,646	104,492,463
	51,397,820	
Claims incurred but not reported		52,970,390
Premium deficiency reserve and other reserves	3,906,661	8,965,000
	55,304,481	61,935,390
Less:		
- Reinsurers' share of outstanding claims	1,005,115,332	70,586,696
- Reinsurers' share of claims Incurred but not reported	6,555,742	8,345,878
	1,011,671,074	78,932,574
	79,068,053	87,495,279

7-2. MOVEMENT IN UNEARNED PREMIUMS

Movement in unearned premiums is as follows:

	Six months' period ended 30 June 2022 (Unaudited)		
	Total SR	Reinsurers SR	Net SR
Balance at the beginning of the period	168,094,359	(47,877,264)	120,217,095
Premium written during the period	373,195,258	(93,252,533)	279,942,725
Premium earned during the period	(234,266,275)	69,876,867	(164,389,408)
Balance at the end of the period	307,023,342	(71,252,930)	235,770,412

	Year ended 31 December 2021 (Audited)		
	Total SR	Reinsurers SR	Net SR
Balance at the beginning of the period	140,802,544	(42,904,729)	97,897,815
Premium written during the period	422,322,603	(131,245,255)	291,077,348
Premium earned during the period	(395,030,788)	126,272,720	(268,758,068)
Balance at the end of the period	168,094,359	(47,877,264)	120,217,095

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8. COMMITMENTS AND CONTINGENCIES

a. Commitments and contingencies comprise of the following:

	30 June 2022 (Unaudited) SR	31 December 2021 (Audited) SR
Letter of guarantee	2,708,500	2,709,500
Total	2,708,500	2,709,500

b. Litigations and lawsuits

The company operates in the insurance business and is vulnerable to lawsuits during its normal business cycle. While it is impractical to predict or know the final outcome of all lawsuits, management believes that these lawsuits (including the cases) will not have any material impact on the company's results or its financial position. The company does not have any material lawsuit on the date of preparing the interim condensed financial statements.

9. FAIR VALUE OF FINANCIAL INSTRUMENTS

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 takes place either:

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

The fair values of on-balance sheet financial instruments are not significantly different from their carrying amounts included in the interim condensed financial information.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted prices in active markets for the same or identical instrument that an entity can access at the measurement date;

Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data; and

Level 3: valuation techniques for which any significant input is not based on observable market data.

Fair value

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation to fair value.

30 June 2022 (unaudited)	Fair value		
	Level 1	Level 2	Level 3
	Total		
	SR		
Financial assets measured at fair value			
Available for sale investments:			
- Mutual Funds		37,760,628	37,760,628
- Bonds	16,825,927		16,825,927
- stock portfolio		11,466,270	11,466,270
- Equity*		1,923,077	1,923,077
Total	16,825,927	49,226,898	1,923,077
			67,975,902

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9. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

31 December 2021 (Audited)	Fair value			
	Level 1	Level 2	Level 3	Total
	SR			
Financial assets measured at fair value				
Available for sale investments:				
- Mutual Funds	-	32,102,160	-	32,102,160
- Bonds	28,267,425	-	-	28,267,425
- Equity *	-	-	1,923,077	1,923,077
Total	28,267,425	32,102,160	1,923,077	62,292,662

The change in the fair value of available-for-sale investments amounting to SAR 580,916 as of June 30, 2022 (December 31, 2021: SAR 135,695) is shown within the shareholders' equity in the interim condensed statement of financial position.

For the period ended June 30, 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers to or from Level 3 fair value measurements.

- * The investment in shares of a local non-current company, amounting to SR 1.9 million (December 31, 2021: SR 1.9 million), represents equity investments in the capital of Najm Company for Non-Current Insurance Services at a rate of 3.85% (31 December 2021: 3.85%). Due to the lack of fair value, the investment has been recorded at cost and in the opinion of management there is no material difference between the fair value of this investment and its carrying value.

10. SEGMENTAL INFORMATION

Operating segments are identified on the basis of internal reports about components of the Company that are regularly reviewed by the Company's Board of Directors in their function as chief operating decision maker in order to allocate resources to the segments and to assess its performance.

Transactions between the operating segments are on normal commercial terms and conditions. The revenue from external parties reported to the Board is measured in a manner consistent with that in the condensed income statement. Segment assets and liabilities comprise operating assets and liabilities.

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since December 31, 2021.

Segment assets do not include property and equipment, prepaid expenses and other assets, insurance premiums, reinsurance receivables, investments, time deposits, cash and cash equivalents, amounts due from a related party, statutory deposit, and investment returns from the statutory deposit, and thus they are included in the unallocated assets.

Segments' liabilities do not include reinsurers' receivables, end-of-service benefits provision, payables and accrued expenses and other liabilities, other provisions, surplus payable distributions, actuarial loss for specific benefit plans, accrued zakat and income tax, and due statutory deposit investment returns., and thus they are included in the unallocated liabilities.

General and administrative expenses, commission income, and other income from insurance operations were not distributed within the different sectors.

These unallocated assets and liabilities are not reported to chief operating decision maker under related segments and are monitored on a centralized basis.

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10. OPERATING SEGMENTS (CONTINUED)

As at 30 June 2022 (unaudited)

As at 30 June 2022 (unaudited)	Saudi Riyals						
	Insurance Operations						
Operating segments	Medical	Motor	Fire	Engineering	Marine	Others	Total
Assets							
Reinsurers' share of unearned premiums	5,030,043	-	38,222,134	9,859,565	2,511,081	15,630,107	71,252,930
Reinsurers' share of outstanding claims	1,798,356	13,244,284	965,852,143	3,023,572	2,813,688	18,383,289	1,005,115,332
Reinsurers' share of claims incurred but not reported	2,841,809	-	3,082,636	190,175	234,807	206,315	6,555,742
Deferred policy acquisition costs	7,936,794	7,867,498	3,707,923	951,331	400,137	1,672,744	22,536,427
Unallocated assets	-	-	-	-	-	-	427,806,167
	17,607,002	21,111,782	1,010,864,836	14,024,643	5,959,713	35,892,455	1,533,266,598
Liabilities							
Unearned premiums	134,554,954	100,912,838	39,391,589	11,645,593	3,061,714	17,456,654	307,023,342
Unearned reinsurance commission	-	-	6,335,346	2,599,428	699,430	2,643,511	12,277,715
Outstanding claims	13,450,278	20,616,813	968,221,289	4,808,576	3,598,812	24,738,878	1,035,434,646
Claims incurred but not reported	20,603,336	24,445,385	4,332,506	518,522	529,456	968,615	51,397,820
Premium deficiency reserve	-	3,303,278	359,592	77,381	-	166,410	3,906,661
Unallocated liabilities	-	-	-	-	-	-	123,226,414
	168,608,568	149,278,314	1,018,640,322	19,649,500	7,889,412	45,974,068	1,533,266,598

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10. OPERATING SEGMENTS (CONTINUED)

As at 31 December 2021 (audited)

As at 31 December 2021 (audited)	Saudi Riyals						
	Insurance Operations						
Operating segments	Medical	Motor	Fire	Engineering	Marine	Others	Total
Assets							
Reinsurers' share of unearned premiums	14,516,749	-	15,474,054	7,626,142	2,007,520	8,252,799	47,877,264
Reinsurers' share of outstanding claims	3,016,231	13,244,284	36,791,630	3,542,039	3,950,654	10,041,858	70,586,696
Reinsurers' share of claims incurred but not reported	4,388,000	-	3,261,000	354,000	317,000	25,878	8,345,878
Deferred policy acquisition costs	3,926,562	3,549,030	1,468,270	770,808	302,495	1,105,060	11,122,225
Unallocated assets	-	-	-	-	-	-	285,238,986
	25,847,542	16,793,314	56,994,954	12,292,989	6,577,669	19,425,595	423,171,049
Liabilities							
Unearned premiums	75,299,640	55,140,339	16,016,497	9,058,386	2,443,783	10,135,714	168,094,359
Unearned reinsurance commission	-	-	1,249,766	664,231	351,399	1,195,113	3,460,509
Outstanding claims	16,150,146	24,771,107	37,231,863	5,570,550	5,074,600	15,694,197	104,492,463
Claims incurred but not reported	18,119,000	28,352,000	4,371,000	790,000	721,000	617,390	52,970,390
Premium deficiency reserve	-	6,237,000	871,000	504,000	150,000	1,203,000	8,965,000
Unallocated liabilities	-	-	-	-	-	-	85,188,328
	109,568,786	114,500,446	59,740,126	16,587,167	8,740,782	28,845,414	423,171,049

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10. OPERATING SEGMENTS (CONTINUED)

For the Three months period ended 30 June 2022 (unaudited)

Operating segments	Medical	Motor	Fire	Saudi Riyals Engineering	Marine	Others	Total
Revenue							
Gross premiums written							
- Direct	83,556,324	33,330,796	21,093,386	6,161,142	2,993,155	9,340,296	156,475,099
Reinsurance premiums ceded:				-	-	-	-
Foreign	(646,141)	-	(12,320,205)	(3,698,822)	(1,809,467)	(8,865,608)	(27,340,243)
Local		-	(7,947,069)	(1,764,785)	(636,790)	(76,084)	(10,424,728)
Excess of loss premiums	(650,000)	(326,400)	(140,625)	(328,124)	(124,444)	-	(1,569,593)
NET PREMIUMS WRITTEN	82,260,183	33,004,396	685,487	369,411	422,454	398,604	117,140,535
Change in unearned premiums, net	(30,013,756)	6,039,710	(356,332)	59,549	(22,930)	365,915	(23,927,844)
NET PREMIUMS EARNED	52,246,427	39,044,106	329,155	428,960	399,524	764,519	93,212,691
Other income	-	-	2,380,243	783,945	1,098,691	1,171,411	5,434,290
Reinsurance commission	574,000	688,934	-	-	-	1,035,000	2,297,934
TOTAL REVENUE	52,820,427	39,733,040	2,709,398	1,212,905	1,498,215	2,970,930	100,944,915
Underwriting Cost and Expenses							
Gross claims paid	(30,641,152)	(33,336,650)	(64,152)	(807,569)	(435,755)	(438,915)	(65,724,193)
Reinsurers share of claims paid	4,948,046	-	63,572	513,786	296,956	299,553	6,121,913
Net claims paid	(25,693,106)	(33,336,650)	(580)	(293,783)	(138,799)	(139,362)	(59,602,280)
Change in outstanding claims, net	(2,298,091)	1,052,083	(2,007,210)	495,896	110,783	(578,608)	(3,225,147)
Change in claims incurred but not reported, net	(7,122,527)	1,809,615	(424,870)	653	27,351	(27,788)	(5,737,566)
NET CLAIMS INCURRED	(35,113,724)	(30,474,952)	(2,432,660)	202,766	(665)	(745,758)	(68,564,993)
Policy acquisition costs	(3,014,196)	(3,197,806)	(1,475,114)	(372,224)	(645,407)	(711,400)	(9,416,147)
Change in premium deficiency reserve and other reserves	-	1,542,722	408	1,042	-	120,590	1,664,762
Total underwriting costs and expenses	(38,127,920)	(32,130,036)	(3,907,366)	(168,416)	(646,072)	(1,336,568)	(76,316,378)
NET UNDERWRITING INCOME	14,692,507	7,603,004	(1,197,968)	1,044,489	852,143	1,634,362	24,628,537
Other operating (expenses) / income							
Provision for doubtful debts							529,940
General and administrative expenses							(21,625,707)
Commission income on deposits							28,557
Dividend							282,280
Total other operating expenses							(20,784,930)
NET SURPLUS OF INSURANCE OPERATIONS'							3,843,607

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10. OPERATING SEGMENTS (CONTINUED)

For the Three months period ended 30 June 2021 (unaudited)

Operating segments	Medical	Motor	Fire	Saudi Riyals Engineering	Marine	Others	Total
Revenue							
Gross premiums written							
- Direct	17,777,550	20,176,905	20,132,740	2,706,014	668,843	3,789,283	65,251,335
Reinsurance premiums ceded:							
Foreign	(2,016,100)	-	(11,015,072)	(1,688,087)	351,990	(3,064,799)	(17,432,068)
Local	-	-	(8,817,485)	(313,832)	(282,638)	(129,786)	(9,543,741)
Excess of loss premiums	-	(562,880)	(152,614)	(356,100)	(153,750)	-	(1,225,344)
NET PREMIUMS WRITTEN	15,761,450	19,614,025	147,569	347,995	584,445	594,698	37,050,182
Change in unearned premiums, net	11,243,180	14,117,309	467,087	129,678	36,595	471,498	26,465,347
NET PREMIUMS EARNED	27,004,630	33,731,334	614,656	477,673	621,040	1,066,196	63,515,529
Reinsurance commission	-	-	2,053,184	967,581	1,708,168	882,150	5,611,083
TOTAL REVENUE	27,004,630	33,731,334	2,667,840	1,445,254	2,329,208	1,948,346	69,126,612
Gross claims paid	(33,313,148)	(31,184,832)	-	(79,934)	(788,614)	(620,890)	(65,987,418)
Reinsurers share of claims paid	9,868,547	681,750	-	61,581	432,427	378,074	11,422,379
Net claims paid	(23,444,601)	(30,503,082)	-	(18,353)	(356,187)	(242,816)	(54,565,039)
Change in outstanding claims, net	1,123,887	6,798,960	(352,866)	(106,672)	393,951	26,260	7,883,520
Change in claims incurred but not reported, net	3,542,000	(260,000)	(85,000)	19,000	93,000	33,000	3,342,000
NET CLAIMS INCURRED	(18,778,714)	(23,964,122)	(437,866)	(106,025)	130,764	(183,556)	(43,339,519)
Policy acquisition costs	(1,518,425)	(4,176,714)	(1,457,439)	(446,106)	(636,197)	(614,892)	(8,849,773)
Change in premium deficiency reserve	1,796,000	1,499,000	532,000	(638,000)	(201,000)	(375,000)	2,613,000
Total underwriting costs and expenses	(18,501,139)	(26,641,836)	(1,363,305)	(1,190,131)	(706,433)	(1,173,448)	(49,576,292)
NET UNDERWRITING INCOME	8,503,491	7,089,498	1,304,535	255,123	1,622,775	774,898	19,550,320
Other operating (expenses) / income							
Provision for doubtful debts							(5,150,246)
General and administrative expenses							(15,278,342)
Commission income							28,094
Dividend							291,900
Total other operating expenses							(20,108,594)
NET DEFICIT OF INSURANCE OPERATIONS*							(558,274)

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10. OPERATING SEGMENTS (CONTINUED)

For the Six months period ended 30 June 2022 (unaudited)

Operating segments	Medical	Motor	Fire	Saudi Riyals Engineering	Marine	Others	Total
Revenue							
Gross premiums written							
- Direct	157,695,720	121,029,300	53,647,690	11,626,524	8,363,214	20,832,810	373,195,258
Reinsurance premiums ceded:							
Foreign	(1,735,139)	-	(43,607,749)	(7,375,867)	(6,256,056)	(18,846,446)	(77,821,257)
Local	-	-	(8,526,956)	(2,357,159)	(1,026,688)	(381,286)	(12,292,089)
Excess of loss premiums	(1,300,000)	(652,800)	(281,249)	(656,248)	(248,890)	-	(3,139,187)
NET PREMIUMS WRITTEN	154,660,581	120,376,500	1,231,736	1,237,250	831,580	1,605,078	279,942,725
Change in unearned premiums, net	(68,742,021)	(45,772,499)	(627,012)	(353,784)	(114,370)	56,369	(115,553,317)
NET PREMIUMS EARNED	85,918,560	74,604,001	604,724	883,466	717,210	1,661,447	164,389,408
Reinsurance commission	-	-	4,597,919	3,973,623	1,980,701	2,348,676	12,900,919
Other Income	574,000	688,934	-	-	-	1,035,000	2,297,934
TOTAL REVENUE	86,492,560	75,292,935	5,202,643	4,857,089	2,697,911	5,045,123	179,588,261
Gross claims paid	(70,621,367)	(69,892,054)	(1,063,853)	(1,078,416)	(1,823,635)	(1,529,994)	(146,009,319)
Reinsurers share of claims paid	13,686,049	-	1,042,720	704,015	1,297,938	975,964	17,706,686
Net claims paid	(56,935,318)	(69,892,054)	(21,133)	(374,401)	(525,697)	(554,030)	(128,302,633)
Change in outstanding claims, net	1,481,991	4,154,294	(1,928,913)	243,507	338,822	(703,248)	3,586,453
Change in claims incurred but not reported, net	(4,030,527)	3,906,615	(139,870)	107,653	109,351	(170,788)	(217,566)
NET CLAIMS INCURRED	(59,483,854)	(61,831,145)	(2,089,916)	(23,241)	(77,524)	(1,428,066)	(124,933,746)
Policy acquisition costs	(4,937,999)	(6,288,867)	(2,886,855)	(932,242)	(921,139)	(1,544,196)	(17,511,298)
Change in premium deficiency reserve	-	2,933,722	511,408	426,619	150,000	1,036,590	5,058,339
Total underwriting costs and expenses	(64,421,853)	(65,186,290)	(4,465,363)	(528,864)	(848,663)	(1,935,672)	(137,386,705)
NET UNDERWRITING INCOME	22,070,707	10,106,645	737,280	4,328,225	1,849,248	3,109,451	42,201,556
Other operating (expenses) / income							472,060
Provision for doubtful debts							(42,252,064)
General and administrative expenses							84,657
Commission income							566,686
Dividend							(41,128,661)
Total other operating expenses							1,072,895
NET DEFICIT OF INSURANCE OPERATIONS*							

ARABIA INSURANCE COOPERATIVE COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)
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10. OPERATING SEGMENTS (CONTINUED)

For the Six months period ended 30 June 2021 (unaudited)

	Saudi Riyals						
Operating segments	Medical	Motor	Fire	Engineering	Marine	Others	Total
Revenue							
Gross premiums written							
- Direct	63,562,852	97,118,793	46,146,725	10,861,069	8,021,895	15,134,007	240,845,341
Reinsurance premiums ceded:							
Foreign	(7,325,518)	-	(29,919,133)	(7,673,397)	(4,589,878)	(11,830,439)	(61,338,365)
Local	-	-	(15,091,486)	(1,108,460)	(1,910,297)	(578,712)	(18,688,955)
Excess of loss premiums	-	(1,125,760)	(305,229)	(712,199)	(307,500)	-	(2,450,688)
NET PREMIUMS WRITTEN	56,237,334	95,993,033	830,877	1,367,013	1,214,220	2,724,856	158,367,333
Change in unearned premiums, net	(3,799,339)	(30,902,720)	497,241	(473,293)	(147,748)	(299,160)	(35,125,019)
NET PREMIUMS EARNED	52,437,995	65,090,313	1,328,118	893,720	1,066,472	2,425,696	123,242,314
Reinsurance commission	-	-	3,563,944	2,869,722	3,170,720	1,269,659	10,874,045
Other Income	-	-	24,744	510,579	-	952,942	1,488,265
TOTAL REVENUE	52,437,995	65,090,313	4,916,806	4,274,021	4,237,192	4,648,297	135,604,624
Gross claims paid							
Reinsurers' share of claims paid	(64,635,369)	(59,505,990)	(919,756)	(937,662)	(1,042,575)	(1,080,729)	(128,122,081)
Net claims paid	19,755,523	901,590	901,254	651,303	597,483	722,912	23,530,065
Change in outstanding claims, net	(44,879,846)	(58,604,400)	(18,502)	(286,359)	(445,092)	(357,817)	(104,592,016)
Change in claims incurred but not reported, net	1,199,111	10,584,587	(327,828)	25,554	224,598	(177,555)	11,528,467
NET CLAIMS INCURRED	4,006,000	2,543,000	(122,000)	100,000	46,000	(33,000)	6,540,000
Policy acquisition costs	(39,674,735)	(45,476,813)	(468,330)	(160,805)	(174,494)	(568,372)	(86,523,549)
Change in premium deficiency reserve	(3,015,150)	(7,373,677)	(2,497,841)	(668,886)	(763,848)	(1,002,233)	(15,321,635)
Other acquisition cost	4,631,000	(970,000)	(666,000)	(689,000)	(201,000)	(334,000)	1,771,000
Total underwriting costs and expenses	(38,058,885)	(53,820,490)	(3,632,171)	(1,518,691)	(1,139,342)	(1,904,605)	(100,074,184)
NET UNDERWRITING INCOME	(14,379,110)	11,269,823	1,284,635	2,755,330	3,097,850	2,743,692	35,530,440
Other operating (expenses) / income							
Provision for doubtful debts							(2,615,670)
General and administrative expenses							(32,148,847)
Commission income							66,251
Dividend							583,802
Total other operating expenses							(34,114,464)
NET DEFICIT OF INSURANCE OPERATIONS'							1,415,976

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11. RELATED PARTY TRANSACTIONS AND BALANCES

The related parties represent the main shareholders, directors, and senior management employees of the company, the companies that they are their main owners, and any other companies that are subject to their control or are jointly controlled or have effective control over them. Pricing policies and terms of these transactions are approved by the company's management and the Board of Directors. Details of major related party transactions and their balances are as follows:

Related party	Nature of transactions	30 June 2022 (Unaudited) SR	30 June 2021 (Unaudited) SR
Board of Directors and the companies they represent	- Gross Premiums written	6,121,739	5,484,794
	- Claims paid	474,351	314,653
Arabia Insurance Company - Lebanon (shareholder)	- Expenses paid by the Company to Arabia Insurance Company	296,920	253,444

The above transactions with the related parties resulted in the following balances:

	30 June 2022 (Unaudited) SR	31 December 2021 (Audited) SR
Arabia Insurance Company – Lebanon – Shareholder	(495,802)	(198,882)
Jordan Insurance Company – Shareholder	83,346	83,346
Board members and the companies they represent	6,248,260	1,959,091
Reinsurance balance due from Jordan Insurance Company	546,767	546,767

Compensation of key management personnel

The compensation of the key management personnel during the period were as follows:

	30 June 2022 (Unaudited) SR	30 June 2021 (Unaudited) SR
Short-term benefits	1,939,390	2,078,790
End of service benefit	81,384	86,351
	2,070,774	2,165,141

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12. ZAKAT AND INCOME TAX ACCRUED

Zakat charge for the period

The zakat provision consists of the zakat charged during the period in the amount of SR 1,883,841 (June 30, 2021: SAR 3,442,004). The zakat provision is calculated on the Saudi shareholders' share of the capital at 71.60% (2021: 71.60%).

Income tax charge for the period

Income tax provision consists of income tax charged during the period in an amount of 116,159 Saudi riyals (June 30, 2021: 177,928 Saudi riyals). Income tax is calculated on the share of capital by non-Saudi shareholders at a rate of 28.4% (2021: 28.4%).

Status of assessment

The company submitted its tax and zakat returns to the General Authority of Zakat and Tax for all years up to the fiscal year ending on December 31, 2021, and the company has received a restricted certificate for the fiscal year ending December 31, 2021.

Zakat, income tax and withholding tax

During the second quarter of the year 2022, the lawsuit filed by the company against the Zakat, Tax and Customs Authority was accepted by the General Secretariat of the Tax Separation Committees, after completing all the required documents, regarding the company's objection to the zakat assessments made by the Zakat, Tax and Customs Authority for the years 2019 and 2020.

Value Add Tax

The company also received, during the Second quarter of 2022, a notification from the General Secretariat of the Zakat, Tax and Customs Committees to postpone the session to discuss the lawsuits submitted by the company against the Zakat, Tax and Customs Authority, which relate to withholding tax assessments for the years: 2015, 2016 and 2017, and zakat and withholding tax for the year 2018, Which was scheduled for 15 June 2022

13. SHARE CAPITAL

The authorized, issued and fully paid up share capital is SR 265 million and consists of 26.5 million shares with a par value of SR 10 per share for 2022 and 2021. The Board of Directors' resolution of 20 December 2018 recommended an increase in the Company's capital by SR 265 million Saudi Riyal through the issue of preference rights shares. This decision will be followed by all the laws stipulated in the relevant laws and regulations. The company obtained the approval of Capital Market Authority on 23/05/2022. The company announced on 01/08/2022 the postponement of the Extraordinary General Assembly meeting that includes increasing the company's capital due to the withdrawal of the underwriter's commitment and mentioned that it will announce any major developments as soon as they occur.

14. CAPITAL MANAGEMENT

Objectives are set by the company to maintain good capital ratios in order to support its business objectives and increase shareholder value.

A firm manages its capital requirements by assessing deficiencies between the authorized and required levels of capital on a regular basis.

Adjustments are made to current capital levels in light of changes in market conditions and the risk characteristics of the Company's activities. To maintain or adjust capital, the company may adjust dividends paid to shareholders or issue shares.

In the opinion of the Board of Directors, the company has fully complied with the capital requirements imposed from abroad during the reported financial period.

15. EARNINGS PER SHARE

The earnings per share for the three and six -month period ending June 30, 2022 and June 30, 2021 is calculated by dividing the net profit of the period attributed to shareholders by the average number of shares issued for the period.

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16. SUPPLEMENTARY INFORMATION

- STATEMENT OF FINANCIAL POSITION

	In Saudi Riyals					
	30 June 2022 (Unaudited)			31 December 2021 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
<u>Assets</u>						
Cash and cash equivalents	71,656,149	40,941,764	112,597,913	26,223,807	59,119,265	85,343,072
Premiums and reinsurers' receivable – net	273,566,948	-	273,566,948	150,976,952	-	150,976,952
Reinsurers' share of unearned premium	71,252,930	-	71,252,930	47,877,264	-	47,877,264
	1,005,115,332	-	1,005,115,332	70,586,696	-	70,586,696
Reinsurers' share of outstanding claims						
Reinsurers' share of claims incurred but not reported	6,555,742	-	6,555,742	8,345,878	-	8,345,878
Deferred policy acquisition cost	22,536,427	-	22,536,427	11,122,225	-	11,122,225
Deferred excess of loss premiums	3,139,181	-	3,139,181	-	-	-
Investments	31,528,125	119,615,971	151,144,096	31,903,125	109,129,293	141,032,418
Amounts due from shareholders' operations	12,010,119	-	12,010,119	23,213,275	-	23,213,275
Due from a related party	83,346	-	83,346	83,346	-	83,346
Prepaid expenses and other assets	25,258,316	3,077,027	28,335,343	21,805,811	2,397,272	24,203,083
Right of use assets	2,136,097	-	2,136,097	3,214,715	-	3,214,715
Term deposits	-	30,110,144	30,110,144	20,400,000	37,060,919	57,460,919
Property and equipment, net	8,427,886	-	8,427,886	7,417,955	-	7,417,955
Statutory deposit	-	40,000,000	40,000,000	-	40,000,000	40,000,000
Return on statutory deposit	-	4,709,747	4,709,747	-	4,493,686	4,493,686
<u>Total assets</u>	1,533,266,598	238,454,653	1,771,721,251	423,171,049	252,200,435	675,371,484
<u>Liabilities</u>						
Accounts payable	17,536,755	-	17,536,755	17,106,089	-	17,106,089
Accrued expenses and other liabilities	34,885,695	905,748	35,791,443	22,758,674	1,201,249	23,959,923
Reinsurance balances payable	56,619,677	-	56,619,677	31,008,133	-	31,008,133
Unearned insurance premiums	307,023,342	-	307,023,342	168,094,359	-	168,094,359
Unearned reinsurance commissions	12,277,715	-	12,277,715	3,460,509	-	3,460,509
Outstanding claims	1,035,434,646	-	1,035,434,646	104,492,463	-	104,492,463
Claims incurred but not reported	51,397,820	-	51,397,820	52,970,390	-	52,970,390
Premium deficiency reserve	3,906,661	-	3,906,661	8,965,000	-	8,965,000
Amounts due to insurance operations	495,802	-	495,802	-	23,213,275	23,213,275
Due to related parties	11,062,183	-	11,062,183	198,882	-	198,882
End of service benefits	-	5,417,853	5,417,853	10,479,356	-	10,479,356
Lease liability	1,624,310	-	1,624,310	2,742,492	-	2,742,492
Zakat and income tax payable	-	4,709,747	4,709,747	-	7,652,889	7,652,889
Return on statutory deposit	-	12,010,119	12,010,119	-	4,493,686	4,493,686
<u>Total liabilities</u>	1,532,264,606	23,043,467	1,555,308,073	422,276,347	36,561,099	458,837,446
<u>Cumulative surplus</u>						
Accumulated surplus payable	1,545,834	-	1,545,834	1,438,544	-	1,438,544
Actuarial loss on defined benefit plan	(543,842)	-	(543,842)	(543,842)	-	(543,842)
<u>Total liabilities and accrued surplus</u>	1,533,266,598	23,043,467	1,556,310,065	423,171,049	36,561,099	459,732,148
<u>Shareholders' equity</u>						
Equity capital		265,000,000	265,000,000	-	265,000,000	265,000,000
Accumulated losses		(49,007,898)	(49,007,898)	-	(49,496,359)	(49,496,359)
Investment of available-for-sale revaluation reserve		(580,916)	(580,916)	-	135,695	135,695
<u>Total shareholders' equity</u>		215,411,186	215,411,186	-	215,639,336	215,639,336
<u>Total liabilities and shareholders' equity</u>	1,533,266,598	238,454,653	1,771,721,251	423,171,049	252,200,435	675,371,484

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16. SUPPLEMENTARY INFORMATION – (continued)

- STATEMENT OF INCOME

	In Saudi Riyals					
	For the Three months' period ended 30 June 2022 (Unaudited)			For the Three months' period ended 30 June 2021 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
REVENUES						
- Direct	156,475,099	-	156,475,099	65,251,335	-	65,251,335
Reinsurance premiums ceded						
- Foreign	(27,340,243)	-	(27,340,243)	(17,432,068)	-	(17,432,068)
- Local	(10,424,728)	-	(10,424,728)	(9,543,741)	-	(9,543,741)
Excess of loss expenses	(1,569,593)	-	(1,569,593)	(1,225,344)	-	(1,225,344)
Net premiums written	117,140,535	-	117,140,535	37,050,182	-	37,050,182
Changes in unearned premiums, net	(23,927,844)	-	(23,927,844)	26,465,347	-	26,465,347
Net premiums earned	93,212,691	-	93,212,691	63,515,529	-	63,515,529
Reinsurance commission earned	5,434,290	-	5,434,290	5,611,083	-	5,611,083
Other income	2,297,934	-	2,297,934			
TOTAL REVENUES	100,944,915	-	100,944,915	69,126,612	-	69,126,612
UNDERWRITING COSTS AND EXPENSES						
Gross claims paid	(65,724,193)	-	(65,724,193)	(65,987,418)	-	(65,987,418)
Reinsurers' share of claims paid	6,121,913	-	6,121,913	11,422,379	-	11,422,379
Net claims paid	(59,602,280)	-	(59,602,280)	(54,565,039)	-	(54,565,039)
Changes in outstanding claims, net	(3,225,147)	-	(3,225,147)	7,883,520	-	7,883,520
Changes in claims incurred but not reported, net	(5,737,566)	-	(5,737,566)	3,342,000	-	3,342,000
Net claims incurred	(68,564,993)	-	(68,564,993)	(43,339,519)	-	(43,339,519)
Policy acquisition costs	(9,416,147)	-	(9,416,147)	(8,849,773)	-	(8,849,773)
Changes in premium deficiency reserve	1,664,762	-	1,664,762	2,613,000	-	2,613,000
Other acquisition costs	-	-	-	-	-	-
Total underwriting costs and expenses	(76,316,378)	-	(76,316,378)	(49,576,292)	-	(49,576,292)
NET UNDERWRITING INCOME	24,628,537	-	24,628,537	19,550,320	-	19,550,320
OPERATING (EXPENSES) / INCOME						
Provision for doubtful debts	529,940	-	529,940	(5,150,246)	-	(5,150,246)
General and administrative expenses	(21,625,707)	(166,779)	(21,792,486)	(15,278,342)	(152,514)	(15,430,856)
Commission income	28,557	474,583	503,140	28,094	162,990	191,084
Gain on sale of available for sale investments				-	1,537,538	1,537,538
Dividend income	282,280	486,037	768,317	291,900	687,254	979,154
Total other operating (expenses) / income	(20,784,930)	793,841	(19,991,089)	(20,108,594)	2,235,268	(17,873,326)
Total profit / (loss) for the period	3,843,607	793,841	4,637,448	(558,274)	2,235,268	1,676,994
Income / (Loss) for the period attributed to the shareholders	(3,736,317)	3,736,317	-	558,274	(558,274)	-
Net income / (loss) for the period before zakat and income tax	107,290	4,530,158	4,637,448	-	1,676,994	1,676,994
Zakat and income tax		(1,000,000)	(1,000,000)	-	(1,500,000)	(1,500,000)
Net income / (loss) after zakat and income tax	107,290	3,530,158	3,637,448	-	176,994	176,994

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16.SUPPLEMENTARY INFORMATION – (continued)

- STATEMENT OF INCOME

	In Saudi Riyals					
	For the Six months' period ended 30 June 2022 (Unaudited)			For the Six months' period ended 30 June 2021 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
REVENUES						
- Direct	373,195,258	-	373,195,258	240,845,341	-	240,845,341
Reinsurance premiums ceded						
- Foreign	(77,821,257)	-	(77,821,257)	(61,338,365)	-	(61,338,365)
- Local	(12,292,089)	-	(12,292,089)	(18,688,955)	-	(18,688,955)
Excess of loss expenses	(3,139,187)	-	(3,139,187)	(2,450,688)	-	(2,450,688)
Net premiums written	279,942,725		279,942,725	158,367,333	-	158,367,333
Changes in unearned premiums, net	(115,553,317)		(115,553,317)	(35,125,019)	-	(35,125,019)
Net premiums earned	164,389,408		164,389,408	123,242,314	-	123,242,314
Reinsurance commission earned	12,900,919		12,900,919	10,874,045	-	10,874,045
Other income	2,297,934		2,297,934	1,488,265	-	1,488,265
TOTAL REVENUES	179,588,261		179,588,261	135,604,624	-	135,604,624
UNDERWRITING COSTS AND EXPENSES						
Gross claims paid	(146,009,319)		(146,009,319)	(128,122,081)	-	(128,122,081)
Reinsurers' share of claims paid	17,706,686		17,706,686	23,530,065	-	23,530,065
Net claims paid	(128,302,633)		(128,302,633)	(104,592,016)	-	(104,592,016)
Changes in outstanding claims, net	3,586,453		3,586,453	11,528,467	-	11,528,467
Changes in claims incurred but not reported, net	(217,566)		(217,566)	6,540,000	-	6,540,000
Net claims incurred	(124,933,746)		(124,933,746)	(86,523,549)	-	(86,523,549)
Policy acquisition costs	(17,511,298)		(17,511,298)	(15,321,635)	-	(15,321,635)
Changes in premium deficiency reserve	5,058,339		5,058,339	1,771,000	-	1,771,000
Other acquisition costs	-		-	-	-	-
Total underwriting costs and expenses	(137,386,705)		(137,386,705)	(100,074,184)	-	(100,074,184)
NET UNDERWRITING INCOME	42,201,556	-	42,201,556	35,530,440	-	35,530,440
OPERATING (EXPENSES) / INCOME						
Provision for doubtful debts	472,060		472,060	(2,615,670)	-	(2,615,670)
General and administrative expenses	(42,252,064)	(337,002)	(42,589,066)	(32,148,847)	(342,668)	(32,491,515)
Commission income	84,657	738,493	823,150	66,251	357,775	424,026
Gain on sale of available for sale investments				-	1,537,538	1,537,538
Dividend income	566,686	1,121,365	1,688,051	583,802	1,168,293	1,752,095
Total other operating (expenses) / income	(41,128,661)	1,522,856	(39,605,805)	(34,114,464)	2,720,938	(31,393,526)
	1,072,895	1,522,856	2,595,751	1,415,976	2,720,938	4,136,914
Total profit / (loss) for the period						
Income / (Loss) for the period attributed to the shareholders	(965,605)	965,605		(1,274,278)	1,274,278	-
Net income / (loss) for the period before zakat and income tax	107,290	2,488,461	2,595,751	141,598	3,995,316	4,136,914
Zakat and income tax		(2,000,000)	(2,000,000)	-	(3,619,932)	(3,619,932)
Net income / (loss) after zakat and income tax	107,290	488,461	595,751	141,598	375,384	516,982

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16. SUPPLEMENTARY INFORMATION – (continued)

- STATEMENT OF COMPREHENSIVE INCOME

	In Saudi Riyals					
	For the Three months' period ended 30 June 2022 (Unaudited)			For the Three months' period ended 30 June 2021 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Net income / (loss) for the period	107,290	3,530,158	3,637,448	-	176,994	176,994
Other comprehensive income:						
<i>Items that may or may not be reclassified subsequently to the interim condensed statement of income:</i>						
<i>Items that can be reclassified subsequently to the statement of income:</i>						
Available-for-sale investments:						
- Net change in fair value		(1,072,628)	(1,072,628)	-	(1,006,058)	(1,006,058)
<u>Total comprehensive income for the period</u>		(1,072,628)	(1,072,628)	-	(1,006,058)	1,006,058)
<u>Total comprehensive income / (loss) for the period</u>	107,290	2,457,530	2,564,820		(829,064)	(829,064)

	In Saudi Riyals					
	For the Six months' period ended 30 June 2022 (Unaudited)			For the Six months' period ended 30 June 2021 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
Net income / (loss) for the period	107,290	488,461	595,751	141,598	375,384	516,982
Other comprehensive income:						
<i>Items that may or may not be reclassified subsequently to the interim condensed statement of income:</i>						
<i>Items that can be reclassified subsequently to the statement of income:</i>						
Available-for-sale investments:						
- Net change in fair value		(716,611)	(716,611)	-	(596,094)	(596,094)
<u>Total comprehensive income for the period</u>		(716,611)	(716,611)	-	(596,094)	(596,094)
<u>Total comprehensive income / (loss) for the period</u>	107,290	(228,150)	(120,860)	141,598	(220,710)	(79,112)

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16. SUPPLEMENTARY INFORMATION – (continued)

- STATEMENT OF CASH FLOWS

	In Saudi Riyals					
	Period Ended June 30, 2022 (Unaudited)			Period Ended June 30, 2021 (Unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Net profit / (loss) for the period	107,290	488,461	595,751	141,598	375,384	516,982
<i>Adjustments for non-cash items:</i>						
Depreciation of property equipment	1,284,649		1,284,649	1,243,023	-	1,243,023
Gain from sale property and equipment				-	-	-
Gain from sale of available for sale investments				-	(1,537,538)	(1,537,538)
Depreciation of right of use assets	1,078,618		1,078,618	1,078,619	-	1,078,619
Finance charges	46,177		46,177	89,949	-	89,949
Provision of allowance for doubtful debts	(472,060)		(472,060)	2,615,670	-	2,615,670
Impairment loss on available for sale investment				-	-	-
Provision for end-of-service indemnities	732,000		732,000	831,175	-	831,175
Zakat and income tax accrued		2,000,000	2,000,000	-	3,619,932	3,619,932
	2,776,674	2,488,461	5,265,135	6,000,034	2,457,778	8,457,812
Changes in operating assets and liabilities:						
Premiums and reinsurance receivables	(122,117,936)		(122,117,936)	(49,915,920)	-	(49,915,920)
Reinsurers share of unearned premiums	(23,375,666)		(23,375,666)	(21,701,775)	-	(21,701,775)
Reinsurers share of outstanding claims	(934,528,636)		(934,528,636)	(31,311,060)	-	(31,311,060)
Reinsurers' share of claims incurred but not reported	1,790,136		1,790,136	1,776,000	-	1,776,000
Deferred policy acquisition costs	(11,414,202)		(11,414,202)	(5,507,464)	-	(5,507,464)
Deferred excess of loss premiums	(3,139,181)		(3,139,181)	(2,450,682)	-	(2,450,682)
Due from related parties				9,652	-	9,652
Prepaid expenses and other assets	(3,452,505)	(679,756)	(4,132,261)	(658,751)	(233,552)	(892,303)
Accounts payable	430,666		430,666	69,507	-	69,507
Accrued expenses and other liabilities	12,127,021	(295,500)	11,831,521	965,459	(1,347,554)	(382,095)
Reinsurer's balances payable	25,611,544		25,611,544	31,661,934	-	31,661,934
Unearned insurance premiums	138,928,983		138,928,983	56,826,794	-	56,826,794
Uninsured reinsurance commissions	8,817,206		8,817,206	3,009,253	-	3,009,253
Outstanding claims	930,942,183		930,942,183	19,782,593	-	19,782,593
Claims incurred but not reported	(1,572,570)		(1,572,570)	(8,316,000)	-	(8,316,000)
Premium deficiency reserve and other reserves	(5,058,339)		(5,058,339)	(1,771,000)	-	(1,771,000)
Accrued surplus distributions				-	-	-
Amounts due to related parties	296,920		296,920	243,792	-	243,792
Net cash from / (used in) operating activities	17,062,298	1,513,205	18,575,503	(11,360,334)	876,672	(10,483,662)
Zakat and income tax paid	-	(4,235,036)	(4,235,036)	-	(4,676,950)	(4,676,950)
End of service indemnities paid	(149,173)	-	(149,173)	(357,158)	-	(357,158)
Net cash (used in) / from operating activities	16,913,125	(2,721,831)	14,191,294	(11,717,492)	(3,800,278)	(15,517,770)
CASH FLOWS FROM INVESTING ACTIVITIES						
Additions / (disposals) in investments	375,000	(11,203,289)	(10,828,289)	-	(10,392,577)	(10,392,577)
Additions / (disposals) in term deposits	20,400,000	6,950,775	27,350,775	20,350,000	(33,831,767)	(13,481,767)
Additions in property and equipment	(2,294,581)	-	(2,294,581)	(2,036,553)	-	(2,036,553)
Net cash from / (used in) investing activities	18,480,419	(4,252,514)	14,227,905	18,313,447	(44,224,344)	(25,910,897)
CASH FLOWS FROM FINANCING ACTIVITIES						
Due from / to shareholders'	11,203,156	(11,203,156)	-	23,102,140	(23,102,140)	-
Right of use assets paid	(1,164,358)	-	(1,164,358)	(1,162,506)	-	(1,162,506)
Net cash (used in) / from financing activities	10,038,798	(11,203,156)	(1,164,358)	21,939,634	(23,102,140)	(1,162,506)
Net change in cash and cash equivalents	45,432,342	(18,177,501)	27,254,841	28,535,589	(71,126,762)	(42,591,173)
Cash and cash equivalents at the beginning of the period	26,223,807	59,119,265	85,343,072	33,351,069	115,976,385	149,327,454
Cash and cash equivalents at the end of the period	71,656,149	40,941,764	112,597,913	61,886,658	44,849,623	106,736,281
NON-CASH INFORMATION						
Changes in fair value of available for sale investments	-	(716,611)	(716,611)	-	(596,095)	(596,094)

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17. PREMIUMS WRITTEN BY TYPE OF CUSTOMERS

For the Three months period ended 30 June 2022 (Unaudited)					
Gross written premiums	Medical	Motors	Property and accidents	Protection and Savings	Total
Individual clients	11,265,660	19,341,743	252,969		30,860,372
Very small size entities	57,730,413	285,960	459,192		58,475,565
Small size Entities	8,121,633	1,054,646	5,616,770	-	14,793,049
Medium size entities	4,970,517	3,960,314	10,151,556	188,853	19,271,240
Large size entities	1,468,101	8,688,133	22,918,639		33,074,873
Total	83,556,324	33,330,796	39,399,126	188,853	156,475,099

For the six months period ended 30 June 2022 (Unaudited)					
Gross written premiums	Medical	Motors	Property and accidents	Protection and Savings	Total
Individual clients	23,304,142	31,658,794	570,715		55,533,651
Very small size entities	90,815,032	409,210	493,711		91,717,953
Small size Entities	26,680,577	3,448,306	8,257,294		38,386,177
Medium size entities	14,503,779	34,318,259	19,183,136	534,115	68,539,289
Large size entities	2,392,190	51,194,731	65,243,417	187,850	119,018,188
Total	157,695,720	121,029,300	93,748,273	721,965	373,195,258

18. COMPARATIVE FIGURES

Certain prior period figures have been reclassified to conform to the current period presentation.

19. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements have been approved by the Board of Directors on 17 August 2022 corresponding to 19 Muharram 1444 H