

ARABIAN SHIELD COOPERATIVE INSURANCE COMPANY

A SAUDI JOINT STOCK COMPANY

UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS

AND INDEPENDENT AUDITORS' REVIEW REPORT

FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2023

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COMPANY DETAILS

Chairman

HH Prince Naif Bin Sultan Bin Saud Al Kabeer

Vice Chairman

Mr. Sameer Al Wazzan

Board of Directors

HH Prince Naif Bin Sultan Bin Saud Al Kabeer

Mr. Sameer Al Wazzan

Mr. Abdallah Al Obelkan

Mr. Turki Al Mutawa

Mr. Mohammed Bin Ali

Mr. Raed Al Saif

Mr. Abdullah Al Meshal

Chief Executive Officer

Mr. Bassel Al Abdulkarim

Board Secretary

Mr. Abdulaziz Bin Saeed

Head Office

5th Floor, Cercon Building No. 15

Olaya Street

PO Box 61352

Riyadh 11565

Saudi Arabia

Telephone + 966 11 250 5400

Website www.der3.com

Commercial Registration

CR No. 1010234323

Principal Bankers

The Saudi British Bank (SABB)

Riyadh, Saudi Arabia

Auditors

Dr. Mohamed Al-Amri & Co.
Member BDO International Limited
Riyadh, Saudi Arabia

Al Kharashi & Co.
Member Mazars
Riyadh, Saudi Arabia



الدكتور محمد المصري وشركاه
Dr. Mohamed Al-Amri & Co.



AlKharashi & Co.
Certified Accountants And Auditors

INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF ARABIAN SHIELD COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)

INTRODUCTION

We have reviewed the accompanying interim condensed statement of financial position of Arabian Shield Cooperative Insurance Company (A Saudi Joint Stock Company) (the "Company") as at 30 September 2023, and the related interim condensed statement of income, and interim condensed statement of comprehensive income for the three-month and nine-month periods then ended, and the interim condensed statements of changes in equity and cash flows for the nine month period then ended and a summary of significant accounting policies and other explanatory notes (the "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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", as endorsed in the Kingdom of Saudi Arabia. A review of interim 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 are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

Dr. Mohamed Al-Amri & Co.

P. O. Box 8736

Riyadh 11491

Kingdom of Saudi Arabia

Maher Al-Khatieb

Certified Public Accountant

License No. 514



12 November 2023G
Corresponding to 28 Rabi-ul-Thani 1445H

AlKharashi & Co Certified Accountant and Auditor

P. O. Box 8306

Riyadh 11482

Kingdom of Saudi Arabia

Abdulh S Al Mased

Certified Public Accountant

License No. 456



Dr. Mohamed Al-Amri & Co. Chartered Accountants, a professional closed joint stock company, registered in the Kingdom of Saudi Arabia under CR no. 1030323862, with paid-up capital of SAR 100,000,000, and a share capital of SAR 100,000,000, is a member firm of the International Federation of Accountants (IFAC) and the International Federation of Certified Public Accountants (IFCPA). Tel: 00966 2653 0112 P.O. Box 794, Al-Riyadh 11482, Kingdom of Saudi Arabia. Email: info@bdo.com.sa

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	Notes	(Unaudited) 30 Sep 2023	Restated (Unaudited) 31 Dec 2022	Restated (Unaudited) 01 Jan 2022
ASSETS				
Cash and cash equivalents	7	246,822	146,733	365,754
Short term fixed income deposits	8	353,741	346,834	0
Insurance linked Investments	10	548,703	557,968	0
Insurance contract assets	11	45	266	0
Reinsurance contract assets	11	231,691	224,163	149,184
Financial assets at amortised cost - net	12.3	140,064	131,139	122,071
Financial assets at fair value	12.2	469,361	544,513	239,402
Prepaid expenses and other assets		44,644	24,727	10,866
Property and equipment - net		4,920	5,978	2,713
Intangible assets -net		43,355	43,711	10,667
Goodwill		364,948	364,948	46,794
Statutory deposit	9	63,852	63,852	40,000
Accrued income on statutory deposit		2,347	6,781	3,134
TOTAL ASSETS		2,514,493	2,461,613	990,585
LIABILITIES				
Accrued expenses and other liabilities		78,961	92,643	77,596
Insurance contract liabilities	11	1,116,345	1,084,348	298,794
Reinsurance contract liabilities	11	131	896	100
Provision for employees end of service benefits		12,704	12,165	10,207
Policyholders' surplus distribution payable	26	29,477	28,894	5,120
Zakat payable	15	47,266	49,895	39,216
Income tax payable	15	151	819	1,500
Accrued commission income payable to SAMA		2,347	6,781	3,134
TOTAL LIABILITIES		1,287,382	1,276,441	435,667
EQUITY				
Share capital	5 & 16	638,525	638,525	400,000
Share premium	5	355,879	355,879	0
Statutory reserve		31,681	31,681	26,097
Retained earnings		154,192	121,228	95,481
Fair value reserve on financial assets		48,252	39,277	36,100
TOTAL SHAREHOLDERS' EQUITY		1,228,529	1,186,590	557,678
Re-measurement reserve for end-of-service indemnities		(1,418)	(1,418)	(2,760)
TOTAL EQUITY		1,227,111	1,185,172	554,918
TOTAL LIABILITIES AND EQUITY		2,514,493	2,461,613	990,585

COMMITMENTS AND CONTINGENCIES


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Mohammed Atef Abdullatif
CFO



Bassel Abdullah Abdulkarim
CEO



Mohammed Ahmed bin Ali
Board Member, Chairman of Audit Committee

The accompanying Notes 1 to 29 form an integral part of these unaudited interim condensed Financial Statements

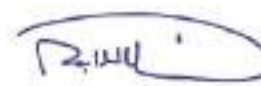
	Notes	Three months to		Year to date to	
		(Unaudited) 30 Sep 2023	Restated (Unaudited) 30 Sep 2022	(Unaudited) 30 Sep 2023	Restated (Unaudited) 30 Sep 2022
Insurance revenue	13	290,664	237,575	825,875	666,979
Insurance service expense	13	(275,015)	(206,470)	(738,860)	(586,081)
INSURANCE SERVICE RESULT BEFORE REINSURANCE CONTRACTS HELD		15,649	31,105	87,015	80,898
Allocation of reinsurance premiums		(82,559)	(80,024)	(242,413)	(233,871)
Amounts recoverable from reinsurers for incurred claims		60,040	52,081	175,615	140,882
NET EXPENSES FROM REINSURANCE CONTRACTS HELD		(22,519)	(27,943)	(66,798)	(92,989)
INSURANCE SERVICE RESULTS		(6,870)	3,162	20,217	(12,091)
Commission income on deposits		7,134	3,389	20,054	6,286
Commission income on sukuk		2,066	1,338	5,258	3,385
Dividend income		2,665	2,391	7,559	10,178
Unrealised gain on financial assets at FVTPL		2,113	2,061	7,487	3,824
Realised gain on financial assets at FVTPL		0	178	62	297
Net impairment loss on financial assets		50	0	(270)	100
Investment income / (loss) on assets underlying insurance contracts		(5,636)	(19,778)	46,732	(62,279)
NET INVESTMENT INCOME		8,392	(10,421)	86,882	(38,209)
Net finance (expenses) / income from insurance contracts issued	14	(1)	0	(2)	0
Net finance (expenses) / income from reinsurance contracts held	14	(672)	96	(747)	473
Movement in investment contract liabilities		5,636	19,778	(46,732)	62,279
NET INSURANCE FINANCE (EXPENSES) / INCOME		4,963	19,874	(47,481)	62,752
NET INSURANCE RESULTS		6,485	12,615	59,618	12,452
Operating and administrative expenses		3,588	(3,551)	(10,450)	(10,362)
Depreciation and amortization		(829)	(70)	(2,363)	(201)
TOTAL OTHER OPERATING EXPENSES		2,759	(3,621)	(12,813)	(10,563)
INCOME / (LOSS) BEFORE SURPLUS, ZAKAT AND INCOME TAX		9,244	8,994	46,805	1,889
Attributable to Insurance Operations		(87)	(1,393)	(2,510)	(1,800)
SHAREHOLDERS' INCOME / (LOSS) BEFORE ZAKAT AND INCOME TAX		9,157	7,601	44,295	89
Zakat charge		(5,317)	(4,383)	(15,124)	(13,874)
Income tax charge		(50)	(77)	(293)	(261)
SHAREHOLDERS' INCOME / (LOSS) AFTER ZAKAT AND INCOME TAX		3,790	3,141	28,878	(14,046)
Basic and diluted SAR earnings per share		0.06	0.05	0.45	(0.22)



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Mohammed Ahmed bin Ali
Board Member, Chairman of Audit Committee


	Three months to		Year to date to	
	(Unaudited)	Restated (Unaudited)	(Unaudited)	Restated (Unaudited)
Notes	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
Shareholders' income / (loss) after zakat and income tax	3,790	3,141	28,878	(14,046)
Other comprehensive income / (loss)				
<i>Items that may be reclassified to the interim condensed statement of income in subsequent periods</i>				
Net changes in fair value of investments measured at FVOCI – debt instruments	1,622	(2,626)	2,483	4,924
<i>Items that will not be reclassified to the interim condensed statement of income in subsequent periods</i>				
Net changes in fair value of investments measured at FVOCI – equity instruments	1,997	(899)	10,578	1,523
Total other comprehensive income / (loss)	3,619	(3,525)	13,061	6,447
COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	7,409	(384)	41,939	(7,599)



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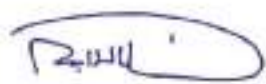
Period to Date to 30 Sep 2023	Notes	Share Capital	Share Premium	Statutory Reserve	Retained Earnings	Fair Value Reserve gain/(loss) on financial assets	Total Shareholders' Equity	Re- measurement for end-of service indemnities	Total Equity
Balance as at 01 January 2022, restated - (unaudited)		400,000	0	26,097	95,481	36,100	557,678	(2,760)	554,918
Shareholders' loss after zakat and income tax					(18,225)		(18,225)		(18,225)
Re-measurement gain on defined benefit obligations								1,342	1,342
Net change in unrealised fair value of investments						7,467	7,467		7,467
Total comprehensive income for the year, restated					(18,225)	7,467	(10,758)	1,342	(9,416)
Disposal of investments measured at FVOCI – equity instruments					4,290	(4,290)	0		0
Issuance of share capital		238,525					238,525		238,525
Issuance of share premium			355,879				355,879		355,879
Transfer to statutory reserve				5,584	(5,584)				
Transition adjustment on initial application of IFRS 17 (ATC Acquisition Impact)					45,266		45,266		45,266
Balance as at 31 December 2022, restated - (unaudited)		638,525	355,879	31,681	121,228	39,277	1,186,590	(1,418)	1,185,172
Shareholders' income after zakat and income tax					28,878		28,878		28,878
Other comprehensive income for the period						13,061	13,061		13,061
Comprehensive income for the period					28,878	13,061	41,939	0	41,939
Disposal of investments measured at FVOCI – equity instruments					4,086	(4,086)	0		0
Balance as at 30 September 2023, - (unaudited)		638,525	355,879	31,681	154,192	48,252	1,228,529	(1,418)	1,227,111



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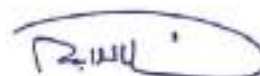
Period to Date to 30 Sep 2022	Notes	Share Capital	Share Premium	Statutory Reserve	Retained Earnings	Fair Value Reserve gain/(loss) on financial assets	Total Shareholders' Equity	Re- measurement for end-of service indemnities	Total Equity
Balance as at 31 December 2021 - (audited)		400,000		26,097	64,386	990	491,473	(2,760)	488,713
Transition adjustment on initial application of IFRS 17					22,357		22,357		22,357
Transition adjustment on initial application of IFRS 9					8,738	35,110	43,848		43,848
Balance as at 01 January 2022, restated - (unaudited)		400,000	0	26,097	95,481	36,100	557,678	(2,760)	554,918
Transition adjustment on initial application of IFRS 17 (ATC Acquisition Impact)					45,266		45,266		45,266
Shareholders' loss after zakat and income tax, restated					(14,046)		(14,046)	0	(14,046)
Other comprehensive income for the period						6,447	6,447		6,447
Comprehensive income for the period					(14,046)	6,447	(7,599)	0	(7,599)
Issuance of share capital		238,525					238,525		238,525
Share premium			355,879				355,879		355,879
Disposal of investments measured at FVOCI – equity instruments					4,290	(4,290)	0		0
Balance as at 30 September 2022, restated - (unaudited)		638,525	355,879	26,097	130,991	38,257	1,189,749	(2,760)	1,186,989



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Board Member, Chairman of Audit Committee

		Period to date to	
		(Unaudited)	Restated
	Notes	30 Sep 2023	(Unaudited) 30 Sep 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Shareholders' income / (loss) before zakat and income tax		44,295	89
Adjustments for non-cash items:			
Depreciation of property and equipment		1,964	1,773
Amortisation of intangible assets		5,446	2,678
Gain on disposal of property and equipment		0	(82)
Commission income on deposits		(20,054)	(6,286)
Commission income on sukuk		(5,258)	(3,385)
Dividend income		(7,559)	(10,178)
Realised gain on financial assets at FVTPL		(35)	(80)
Unrealised gain on financial assets at FVTPL		(7,487)	(3,965)
Allowance for ECL on insurance contract		8,490	3,450
Provision for end-of-service indemnities		2,704	2,128
Change in fair value of investment assets		(47,574)	54,731
Cash in transit (investment assets)		28,862	5,656
Net impairment loss on financial assets		248	97
Changes in operating assets and liabilities:			
Prepaid expenses and other assets		(20,530)	(56,277)
Accrued and other liabilities		(13,682)	(15,919)
Insurance contract assets		(8,269)	16,421
Reinsurance contract assets		(7,528)	32,262
Insurance contract liabilities		31,997	20,944
Reinsurance contract liabilities		(765)	(37,029)
Policyholders' surplus		2,510	1,800
Payments:			
End-of-service indemnities paid		(2,165)	(2,240)
Surplus paid to policyholders		(1,927)	0
Zakat paid		(17,753)	(17,741)
Income tax paid		(961)	(820)
Net cash (used in) / generated from operating activities		(35,031)	(11,973)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions of short term fixed income deposits		(290,511)	(439,525)
Proceeds from short term fixed income deposits		288,326	25,000
Investment assets		27,977	48,668
Additions to financial assets		(101,166)	(54,534)
Disposal of financial assets		188,485	69,512
Commission income received		19,833	7,416
Dividend income received		8,172	8,797
Additions of property and equipment		(906)	(1,669)
Proceeds from disposal of property and equipment		0	85
Additions of intangible assets		(5,090)	(1,843)
Cash & cash equivalent acquired through business combination	5	0	63,476
Increase in Statutory deposit		0	(23,852)
Net cash used in investing activities		135,120	(298,469)
Net change in cash and cash equivalents		100,089	(310,442)
Cash and cash equivalents at start of the period		146,733	365,754
Cash and cash equivalents at end of the period		246,822	55,312

NON-CASH INFORMATION

Net change in unrealised fair value of financial assets at FVOCI		13,061	6,447
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The accompanying Notes 1 to 29 form an integral part of these unaudited interim condensed Financial Statements

1. GENERAL

The insurance industry in Saudi Arabia is regulated by the Law on Supervision of Cooperative Insurance Companies ("Cooperative Insurance Law") together with the Implementing Regulations ("Implementing Regulations") promulgated by Royal Decree No. M32 dated 22 Jumad Thani 1424 corresponding to 21 August 2003. Supervision is under the auspices of the Saudi Central Bank ("SAMA" or "Regulator").

Arabian Shield Cooperative Insurance Company ("Company") is a Saudi Joint Stock Company incorporated in Riyadh, Saudi Arabia through Ministerial Resolution issued on 19 May 2007 with Commercial Registration No. 1010234323 issued on 13 June 2007 following on from Royal Decree No. M60 dated 18 Ramadan 1427 corresponding to 11 October 2006. The Commercial Registration Certificate was amended with effect from 12 August 2021 to reflect the increase in share capital following the bonus share issue. The Company was listed on the Saudi Stock Exchange (Tadawul) on 26 June 2007. The registered address of the head office is as follows: 5th Floor, Cercon Building No. 15, Olaya Street, PO Box 61352, Riyadh 11565, Saudi Arabia.

The principal activities for which the Company was licensed were the conducting of insurance and reinsurance business in general and medical classes in Saudi Arabia in accordance with License No. TMN/6/20079 issued on 11 September 2007 by SAMA and the License was renewed for three year periods on 10 August 2010, 07 July 2013, 03 June 2016, 28 January 2020, and 27 October 2022. SAMA gave approval to the Company to conduct business in the protection and savings class on 26 April 2018. At the Company's request, SAMA approved an amendment to the License to exclude reinsurance business with effect from 30 September 2013.

As per the Articles of Association ("Articles"), the Company may undertake all activities required to transact cooperative insurance operations and related activities and to invest its funds. Its principal lines of business include motor, medical, marine, property, engineering, casualty and protection and savings.

In accordance with the Implementing Regulations, within six months from the date of publication of the annual financial statements each year, the Board of Directors approve the distribution of the surplus from insurance operations as follows:

- The shareholders of the Company receive 90% of the surplus from insurance operations including any surplus from investment activities of the policyholders' invested funds and the policyholders retain the remaining 10%.
- Any deficit arising on insurance operations is transferred to shareholders' operations in full.

The Company and its shareholders own and retain custody of all net assets related to both insurance operations and shareholders' operations and funds are allocated to insurance operations as required.

The fiscal year of the Company runs from 1 January to 31 December.

Cooperative insurance operations commenced with effect from 1 January 2009 following acquisition of the insurance portfolio and related business, assets and liabilities from Arabian Shield Insurance Company EC.

2. STATEMENT OF COMPLIANCE

These interim condensed financial statements for the three and nine month periods ended 30 September 2023 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

These interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, therefore, these should be read in conjunction with the Company's annual audited financial statements as at and for the year ended 31 December 2022.

3. NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

IFRS 17 Insurance Contracts

The Company applies the following significant accounting policies in the preparation of financial statement on the effective date of this Standard i.e., 1 January 2023:

a) Contracts within/outside the scope of IFRS 17

- A contract is an **insurance contract** that falls under the scope of IFRS17 if it transfers significant insurance risk or is an investment contract with Discretionary Participation Features ("DPF"). IFRS 17 identifies insurance contracts as those under which the entity accepts significant insurance from another party (the policyholder), by agreeing to compensate the policyholder if a specified uncertain future event (the insured event), adversely affects the policyholder.
- A **reinsurance contract** held is defined as an insurance contract issued by one entity (the reinsurer), to compensate another entity for claims from one or more insurance contracts issued by that other entity (underlying contracts). Even if a reinsurance contract does not expose the issuer to the possibility of a significant loss, that contract is deemed to transfer considerable insurance risk if it transfers to the reinsurer substantially all the insurance risk relating to the reinsured portions of the underlying insurance contracts.

b) Combination/Unbundling of Contracts

At inception, the Company identifies derivatives embedded in the contract whose economic characteristics and risks are not closely related to those of the host contract, and whose terms would not meet the definition of an insurance or reinsurance contract as a stand-alone instrument; and Company does not underwrite any insurance contracts that contain embedded derivatives or distinct investment components.

Distinct investment components - i.e., investment components that are not highly interrelated with the insurance components and for which contracts with equivalent terms are sold, or could be sold, separately in the same market or the same jurisdiction.

The Company separates any promises to transfer distinct goods or non-insurance services to policyholders and accounts for them as separate contracts with customers (i.e., not as insurance contracts). A good or service is distinct if the policyholder can benefit from it either on its own or with other readily available resources. A good or service is not distinct and is accounted for together with the insurance component if the cash flows and risks associated with the good or service are highly interrelated with the cash flows and risks associated with the insurance component. The Company provides a significant service of integrating the good or service with the insurance component.

Currently, the Company's Insurance portfolios do not contain non-insurance components that need to be unbundled from insurance contracts.

c) Level of Aggregation

The Company identifies portfolios of insurance contracts. Each portfolio comprises contracts that are subject to similar risks and managed together, and is divided into three groups:

- any contracts that are onerous on initial recognition;
- any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
- any remaining contracts in the portfolio.

Contracts within a portfolio that would fall into different groups only because law or regulation explicitly constrains the Company's practical ability to set a different price or level of benefits for policyholders with other characteristics are included in the same group.

For reinsurance contracts, the risks that must be similar relate to those transferred from the underlying contract to the issuer of the reinsurance contract. When deciding whether these risks are identical, reference must be made to the risk profile of underlying contracts and the nature of the transferred risks.

If the risks covered are not similar enough between different treaties, they will not be classified into the same portfolio. A portfolio can consist of a single reinsurance treaty if no other reinsurance treaties are deemed to have similar risks and are managed together.

Below are the GoCs according to Company's portfolios:

Portfolio	Insurance	Reinsurance
Property	Single GoC / Quarterly	Proportional & Non-Proportional / Quarterly
Engineering	Single GoC / Quarterly	Proportional & Non-Proportional / Quarterly
Accident & Liability	Single GoC / Quarterly	Proportional & Non-Proportional / Quarterly
Marine	Single GoC / Quarterly	Proportional & Non-Proportional / Quarterly
Motor	Two GoC / Quarterly	Proportional & Non-Proportional / Quarterly
Medical	Three GoC / Quarterly	n/a
Life – Group & Credit	Single GoC / Quarterly	Proportional & Non-Proportional / Quarterly
Life – Individual	Single GoC / Annually	Proportional & Non-Proportional / Annually

d) Measurement – Overview

In contrast to the requirements in IFRS 4, which permitted insurers to continue to use the accounting policies for measurement purposes that existed before January 2015, IFRS 17 provides the following different measurement models:

The General Measurement Model (GMM) is based on the following "building blocks":

- Fulfillment cash flows (FCF), which comprise:
 - probability-weighted estimates of future cash flows;
 - an adjustment to reflect the time value of money (i.e., discounting) and the financial risks associated with those future cash flows; and
 - a risk adjustment for non-financial risk.

b. Contractual Service Margin (CSM)

The CSM represents the unearned profit for a group of insurance contracts and will be recognized as the entity that provides services in the future. The CSM cannot be negative at inception; any net negative amount of the fulfillment cash flows will be recorded immediately in profit or loss. At the end of each subsequent reporting period, the carrying amount of a group of insurance contracts is remeasured to be the sum of:

- the liability for remaining coverage, which comprises the FCF related to future services and the CSM of the group at that date;
- and the liability for incurred claims, which is measured as the FCF related to past services allocated to the group at that date.

The CSM is subsequently adjusted for changes in cash flows related to future services, but the CSM cannot be negative, so future cash flows that are greater than the remaining CSM are recognized in profit or loss. Interest is also accreted on the CSM at rates locked in at the initial recognition of a contract (i.e., the discount rate used at inception to determine the present value of the estimated cash flows).

Moreover, the CSM will be released into profit or loss based on coverage units, reflecting the quantity of the benefits provided and the expected coverage duration of the remaining contracts in the group.

c. The Variable Fee Approach (VFA):

VFA is a mandatory model for measuring contracts with direct participation features (also referred to as 'direct participating contracts'). This assessment of whether the contract meets these criteria is made at the contract's inception rather than reassessed subsequently. For these contracts, the CSM is also adjusted for in addition to adjustment under the general model:

- changes in the entity's share of the fair value of underlying items;
- changes in the effect of the time value of money and financial risks not relating to the underlying items.

d. Premium Allocation Approach (PAA)

It is permitted to measure the liability for the remaining coverage if it provides a measurement that is not materially different from the general model or if the coverage period for each contract in the group is one year or less. With the PAA, the liability for remaining coverage corresponds to premiums received at initial recognition, less insurance acquisition cash flows.

The general model remains applicable for the measurement of incurred claims. However, the entity is not required to adjust future cash flows for the time value of money and the effect of financial risk if those cash flows are expected to be paid/received in one year or less from the date the claims are incurred.

e) Significant Judgements and Estimates

i. PAA eligibility assessment approach

The Company may simplify the measurement of a group of insurance contracts using the premium allocation approach if, and only if, at the inception of the group:

- the entity reasonably expects that such simplification would produce a measurement of the liability for remaining coverage for the group that would not differ materially from the one that would be produced applying the general requirement or
- the coverage period of each contract in the group (including insurance contract services arising from all premiums within the contract boundary determined at that date) is one year or less.

The Company has carried out the eligibility assessment for Premium Allocation Approach on business written in 2018 and concluded that all insurance and reinsurance portfolios are PAA Eligible except for Individual Life. The PAA Eligibility test will be repeated going forward in the event of significant external or internal changes impacting the Company's product mix, product strategy or invalidating the assumptions used in the PAA eligibility test. The data required for the PAA Eligibility test are:

- Gross Written Premium: this will be sourced from the accounting system
- Loss Ratio and Expense Ratio: this will be derived using information from the accounting system and actuarial models
- Premium earning pattern: this will be determined based on policy-wise data
- Premium received pattern: this will be determined based on policy-wise data
- Risk adjustment factor: this will be derived in the RA tool outside the PAA Eligibility tool and inputted into the PAA eligibility tool
- Claims payment pattern: this will be determined using the claims triangles
- Acquisition costs or commissions as a percentage of GWP: this will be determined based on policy-wise data
- Acquisition costs or commissions earning pattern: this will be sourced from the accounting system
- Risk pattern: this will be derived in an excel file outside the actuarial system
- Yield curve for discounting: the risk-free rates, as well as the volatility adjustment (illiquidity premium) will be extracted from EIOPA's website

Insurance contracts

On initial recognition of each group of contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition. Insurance acquisition cash flows are recognised as expenses when they are incurred.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any premiums received and decreased by the amount recognised as insurance revenue for coverage provided. On initial recognition of each group of contracts, the Company expects that the time between providing each part of the coverage and the related premium due date is a year at maximum. Accordingly, the Company has chosen not to adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous. In that case, the Company recognises a loss in profit or loss. It increases the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flow related to remaining coverage (including the risk adjustment for non-financial risk) exceed the carrying amount of the remaining coverage. The fulfilment cash flows are adjusted for the time value of money and the effect of financial risk (using current estimates) if the liability for incurred claims is also adjusted for the time value of money and the impact of financial risk.

The Company recognises the liability for incurred claims of a group of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims. It includes gross estimated cost of claims incurred but not settled and claims incurred but not reported at the statement of financial position date together with related claims handling costs, whether reported by the insured or not. The fulfilment cash flows are discounted (at current rates) unless the cash flows are expected to be paid in one year or less from the date the claims are incurred. Some insurance contracts permit the Company to sell (usually damaged) assets acquired in settling a claim (for example, salvage). The Company may also have the right to pursue third parties for payment of some or all costs (for example, subrogation). Estimates of salvage recoveries are included as an allowance in the estimates of claims liability. The allowance is the amount that can reasonably be recovered from the disposal of the asset.

Reinsurance contracts

The Company applies the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts.

ii. Discounting methodology

Discount rates refer to the interest rates used in discounting cash flows to determine the present value of future cash flows. Discount rates are primarily used to adjust the estimates of future cash flows to reflect the time value of money and to accrete interest on the best estimate liability, risk adjustment and contractual service margin.

After estimating the future cash flows arising from the insurance contracts, discounting shall be used to calculate the present value of these cash flows, in order to reflect the time value of money and the financial risks associated with these cash flows. This is done to the extent that the financial risks are not already included in the cash flow estimates.

The discount rates applied to the estimates of the future cash flows in discounting shall:

- Reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts;
- Be consistent with observable current market prices (if any) for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts, in terms of, for example, timing, currency and liquidity; and
- Exclude the effect of factors that influence observable market prices but do not affect the future cash flows of the insurance contracts."

Discount rate for liability for Remaining Coverage

If insurance contracts in the group have a significant financing component, the Company shall adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk using the discount rates, as determined on initial recognition.

The Company is not required to adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk if, at initial recognition, the Company expects that the time between providing each part of the coverage and the related premium due date is no more than a year.

Discount rate for Liability for Incurred Claims

The entity has the option not to apply discounting on their LIC, if the claims are settled within one year from the date they are incurred and it applies PAA for measurement of their insurance contracts. This option will simplify the measurement of liability for incurred claims for entities.

Risk Adjustment methodology, including correlations, and Confidence level selected

The Company shall adjust the estimate of the present value of the future cashflows to reflect the compensation that the entity requires for bearing the uncertainty about the amount and timing of the cashflows that arises from non-financial risk. So, the purpose of the risk adjustment for non-financial risk is to measure the effect of uncertainty in the cashflows that arise from insurance contracts, other than uncertainty arising from financial risk.

The risk adjustment for non-financial risk relates to risk arising from insurance contracts other than financial risk. Financial risk is included in the estimates of the future cash flows or the discount rate used to adjust the cash flows. The risks covered by the risk adjustment for non-financial risk are insurance risk and other non-financial risks such as lapse risk and expense risk.

IFRS 17 "Insurance contracts" prescribes that "an entity shall determine the risk adjustment for non-financial risk so that it represents the amount of risk being transferred by the holder of the group of reinsurance contracts to the issuer of those contracts". Consequently, risk mitigation effects due to reinsurance should not be taken into consideration in measuring the risk adjustment while also a separate assessment with reference to reinsurance held contracts should be performed.

The Company adopted the PAA simplification for the calculation of liability for remaining coverage except for liability for remaining coverage under Individual Life portfolio. Therefore, risk adjustment for liability for remaining coverage will only be estimated in case a group of contracts is recognized as an onerous and for liability for remaining coverage for contracts under Individual Life portfolio.

Applying a confidence level technique, the Company estimates the probability distribution of the expected present value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the 75th percentile (the target confidence level) over the expected present value of the future cash flows.

Applying a cost of capital technique, the Company estimates the probability distribution of the present value of future cash flows from insurance contracts at each reporting date and calculates the economic capital that it would require to meet its contractual obligations to pay claims arising over the duration of the contracts. The cost-of-capital rate, which represents the additional reward that investors would require for exposure to the non-financial risk, is then applied to the amount of economic capital required for each period, and the result is discounted using risk-free rates adjusted for illiquidity to determine the risk adjustment for non-financial risk for each group of insurance contracts.

iii. CSM release pattern

The Company has adopted the Premium Allocation Approach to measure LRC for all the portfolios except for Individual Life. Under PAA, the derivation of CSM and its release during the period is not required. However, for Individual Life, The Company has established the relevant procedures for the derivation and release of CSM. The actuarial system developed also can measure LRC under GMM as well.

IFRS 17 determines the coverage units as the quantity of service provided by the contracts in the group, determined by considering the quantity of benefits provided and its expected coverage period for each contract.

The coverage units reflect the Company's risk pattern and are established by apportioning each contract's global annual limit into the various periods, according to the days of exposure. This apportioning of the global annual limit will be done linearly for all the groups except the Engineering insurance portfolio and Engineering proportional reinsurance portfolio. For the Engineering insurance portfolio and Engineering proportional reinsurance portfolio, the pattern will be derived based on the current Saudi Central Bank method, which assumes that the risk will increase linearly over the coverage period.

iv. Onerosity determination

Under the PAA, the Company shall assume no contracts in the portfolio are onerous at initial recognition unless "facts and circumstances" indicate otherwise. The Company will assess onerous contracts on an annual and underwriting year basis, in conjunction with updated information on product profitability. Furthermore, the assessment shall be repeated if 'facts and circumstances' indicate significant changes in product pricing, design, plans, and forecasts.

If a group of contracts is deemed onerous, using the general model's fulfillment cash flow requirements will require additional data and system capabilities to those for profitable contracts. All relevant expenses (not just acquisition costs) will need to be allocated.

The Company has established a process for the underwriting team to capture onerous, potentially onerous, and profitable contracts by assessing the profitability of the different portfolios at the start of the underwriting year. The profitability of each portfolio shall be evaluated separately.

The actuarial team will provide a series of estimates for the historical combined ratio, which will be adjusted to reflect the expected combined ratio and enable the differentiation between onerous and profitable groups of contracts.

Once the portfolios are classified into groups according to their profitability, a flag shall be imported into the system. Insurance groups of contracts shall be treated differently within the system if classified as onerous. Once a group has been defined, the Company will not reassess the composition of the groups subsequently.

v. VAT treatment

The Company includes transaction-based taxes, such as value-added taxes that arise directly from existing insurance contracts or that can be attributed to them reasonably and consistently as part of the cash flows within the boundary and form part of LRC. However, it is paid directly and excluded from insurance service results.

f) Accounting Policy Choices

i. Length of Cohorts

Under the guidance of the IFRS 17, entities shall not include contracts issued more than one year apart in the same group in reference to grouping annual/semi-annual/quarterly/monthly cohorts of new business, since it determines a corresponding time limit.

This enables the option to further divide the groups into smaller groups based on smaller cohorts. However, having smaller cohorts would result in multiple groups and increase measurement requirements.

The financial reporting period for insurance companies is defined as a quarter in KSA. Hence, the Company has decided the length of cohort to be on a quarterly basis.

ii. Use of OCI for IFIE

In reference to the presentation in statement of income – Insurance finance income or expense, the Company has decided that the entire insurance finance income or expense for the period will be presented in the statement of income.

iii. Unwinding of Discount on Risk Adjustment

In reference to the presentation in statement of income - Disaggregation of risk adjustment, the Company has decided that the entire risk adjustment will be presented in the insurance service results.

iv. Expense Attribution

The process of classification and allocation of expenses is in accordance with the guidelines issued by the Central Bank of Saudi Arabia.

v. Deferral of Acquisition Cost

In reference to the recognition of acquisition costs, the Company has decided to amortize the acquisition cost over the contract period instead of immediately recognizing it as an expense.

vi. Policyholder Surplus Accounting

The Company does not make any allowance for surplus distribution when determining onerosity.

The surplus distribution is not part of the main product features but regulatory imposed. The Company treats surplus distribution outside of the fulfillment cash flows without any allowance in the CSM under the GMM method if applicable. Currently, the amount is determined on a retrospective basis only, allocated to group of contracts based on the Company's defined allocation policy and presented as part of LIC.

For transition, the Company policy is to allocate surplus on transition to policyholders holding this as an additional reserve on the statement of financial position. However, in case of loss on transition, the loss will not be allocated to policyholders.

g) Presentation and Disclosure

I. Presentation

IFRS 17 introduces a new way of presenting income and expenses relating to insurance contracts that moves away from a premium-based presentation approach for the Statement of Comprehensive Income. It also introduces changes in the way insurance contract-related account balances are presented in the Statement of Financial Position.

In addition, IFRS 17 requires more granular and detailed disclosures to provide information on the composition and movements of the amounts recognized in the financial statements that arise from insurance contracts in the form of various roll-forward tables and reconciliation tables. Quantitative and qualitative information are also required to be disclosed relating to the significant judgements made when applying IFRS 17 and on the nature and extent of the risks that arise from insurance contracts.

The Company's Policy Guidelines, related to Financial Statement and Disclosures Preparation Process are as follows:

I. Statement of Comprehensive Income

The Company is required to disaggregate the amounts recognized in the Statement of Comprehensive Income into insurance revenue, insurance service expenses and insurance finance income or expense. A mandatory subtotal called insurance service result includes insurance revenue and insurance service expenses to also include results from reinsurance contracts for which there is an option in the standard to present reinsurance cessions and recoveries separately or present them net as a single line item. The Company has opted to present reinsurance cessions and recoveries separately.

Furthermore, the insurance finance income and expenses relate to insurance contracts issued and reinsurance contracts held shall also be presented separately.

• Insurance Revenue

For PAA, the insurance revenue for the period is the amount of expected premium receipts allocated to the period, excluding any investment component and adjusted for time value of money and the effect of financial risk. The allocation of insurance revenue for the period under PAA will be performed based on the passage of time.

• Insurance Service Expenses

The Company insurance service expenses will comprise the following items:

- (a) Incurred claims and other incurred insurance service expenses;
- (b) Amortization of insurance acquisition cash flows;
- (c) Changes that relate to past service i.e., changes in fulfilment cash flows relating to the liability for incurred claims (LIC); and
- (d) Changes that relate to future service, i.e., losses on onerous groups of contracts and reversals of such losses.

Changes that relate to past service refers to changes in fulfilment cash flows relating to the LIC. Any development to the incurred claims, including changes in expected cash flows as well as RA, will be reported in the insurance service expenses.

• Insurance Finance Income and Expenses (IFIE)

Under IFRS 17, an entity shall measure the liability for incurred claims for the group of insurance contracts at the fulfilment cash flows relating to incurred claims. However, the entity is not required to adjust future cash flows for the time value of money and the effect of financial risk if those cash flows are expected to be paid or received in one year or less from the date the claims are incurred under PAA.

For the presentation purposes, the Company has opted to include all insurance finance income or expenses for the period in the profit or loss.

Furthermore, the Company is required to present the IFIE related to insurance contracts issued and reinsurance contracts held on the face of Statement of Comprehensive Income.

II. Statement of Financial Position

The Company will present the following line items separately in the statement of financial position as required by IFRS 17:

- Insurance contracts that are assets;
- Insurance contracts that are liabilities;
- Reinsurance contracts held that are assets; and
- Reinsurance contracts held that are liabilities separately

The carrying amount of an insurance contract asset/liability is the sum of the LRC and the LIC, comprising the fulfilment cash flows related to past service allocated to the portfolio of contracts at that date. Portfolios of reinsurance contracts held that are either assets or liabilities, comprise liability for remaining coverage and LIC that correspond to the ceded business.

II. Disclosures

IFRS 17 required extensive new disclosures about amounts recognized in the financial statements, including detailed reconciliations of contracts, effects of newly recognized contracts and information on the expected CSM emergence pattern, as well as disclosures about significant judgements made when applying IFRS 17. There will also be expanded disclosures about the nature and extent of risk from Insurance contract, reinsurance contracts and investment contracts with DPF, disclosures will generally be made at a more granular level than under IFRS 4, providing more transparent information for assessing the effects of contracts on the financial statements. Following is the list of IFRS 17 disclosures that the Company will be presenting in the financial statements:

1. Reconciliation for changes in Liability for Remaining Coverage (LRC), Liability for Incurred Claims (LIC), and Loss Components

The Company shall disclose reconciliations from the opening to the closing balances separately for each of:

- The net liabilities (or assets) for the remaining coverage component, excluding any loss component.
- Any loss component
- The liabilities for incurred claims. For insurance contracts to which the premium allocation approach has been applied, an entity shall disclose separate reconciliations for:
 - The estimates of the present value of the future cash flows; and
 - The risk adjustment for non-financial risk

2. Reconciliation of the measurement components of Insurance/ Reinsurance Held contract balances (for GMM/VFA only)

The Company shall disclose reconciliations from the opening to the closing balances separately for each of:

- Present value of future cashflows
- Risk adjustment for non-financial risk
- Contractual Service Margin (CSM)

3. Analysis of Insurance Revenue

The Company shall be presenting a disclosure for the reconciliation of insurance service revenues for the contracts measured under PAA and not measured under PAA, if any.

4. Effect of new business on the financial statement for Insurance Contracts and for Reinsurance Held

For insurance contracts other than those to which the premium allocation approach has been applied, an entity shall disclose the effect on the statement of financial position separately for insurance contracts issued and reinsurance contracts held that are initially recognized in the period, showing their effect at initial recognition on:

- The estimates of the present value of future cash outflows, showing separately the amount of the insurance acquisition cash flows;
- The estimates of the present value of future cash inflows;
- The risk adjustment for non-financial risk; and
- The contractual service margins

5. Risk Framework

An entity shall disclose information about concentrations of risk arising from contracts within the scope of IFRS 17, including a description of how the entity determines the concentrations, and a description of the shared characteristic that identifies each concentration. Currently the Company has a detailed framework for identification of different nature of risks. Furthermore, the Company also discloses different insurance and financial risks that arise from insurance contracts and how they are managed. Following are risks that the Company has identified in terms of risk management:

- Insurance risk
 - Frequency and Severity of Claims
 - Concentration of insurance risk
 - Sources of uncertainty in estimation of future claim payments
 - Process used to decide on assumptions
- Sensitivity Analysis
- Reinsurance risk
- Market risk
 - Currency Risk
 - Commission Rate Risk
 - Other Price risk
- Credit risk
- Liquidity risk
- Operational risk

6. Sensitivity analysis

The Company shall disclose a sensitivity analysis to demonstrate the impact of changes in risk variables arising from contracts within the scope of IFRS 17, on P&L and Equity. To comply with this requirement, an entity shall disclose:

- A sensitivity analysis that shows how profit or loss and equity would have been affected by changes in risk variables that were reasonably possible at the end of the reporting period:
 - Insurance risk showing the effect for insurance contracts issued, before and after risk mitigation by reinsurance contracts held.
 - Each type of market risk in a way that explains the relationship between the sensitivities to changes in risk exposures arising from insurance contracts and those arising from financial assets held by the Company.
- The methods and assumptions used in preparing the sensitivity analysis; and
- Changes from the previous period in the methods and assumptions used in preparing the sensitivity analysis, and the reasons for such

The Company's detailed risk framework also includes the sensitivity analysis and discloses the sensitivity analysis of insurance risk and market risk in its financial statements.

h) Transition

i. Choice of Method (FRA, MRA, FV)

Changes in accounting policies resulting from the adoption of IFRS 17 will be applied using a full retrospective approach to the extent applicable. However, if full retrospective application for a group of insurance contracts is impracticable, then the Company choose either a modified retrospective approach or a fair value approach. If the Company cannot obtain reasonable and supportable information necessary to apply the modified retrospective approach, then it will apply the fair value approach. The Company has adopted **full retrospective approach**.

ii. Length of Comparatives

The Company can choose to present the adjusted comparative information for any period before the beginning of the annual reporting period immediately preceding the date of initial application. However, the Company is not required to do so.

If the Company does present adjusted comparative information for any earlier periods, then this shall be read as 'the beginning of the earliest adjusted comparative period presented'.

The Company has decided not to present the adjusted comparative information for any period before the beginning of the annual reporting period immediately preceding the date of initial application.

The current length of comparatives utilized is for the duration of 3 years only.

IFRS 9 Financial Instruments

IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement and is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. The Company has met the relevant criteria and has applied the temporary exemption from IFRS 9 for annual periods before 1 January 2023. Consequently, the Company applies IFRS 9 for the first time on 1 January 2023.

1. Financial assets – Classification

The Company assessed a preliminary IFRS 9 Classification and Measurement assessment ("C&M") for the financial assets held as at 31 December 2021.

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost ("AC"), fair value through other comprehensive income ("FVOCI") and fair value through statement of income ("FVSI"). This classification is generally based, except equity instruments and derivatives, on the business model in which a financial asset is managed and its contractual cash flows. Except for financial assets that are designated at initial recognition as at FVSI, a financial asset is classified on the basis of both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

The classification and measurement review consist of two parts:

- A **business model assessment** is the initial point for classification and measurement of financial assets as per the IFRS 9 Guidance. The Company assesses the objective of a business model in which an asset is held at a portfolio level. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account; and
- A **contractual cash flows** characteristics assessment based on a thorough desk-based review of a sample of specifically selected contracts to provide a provisional conclusion on whether or not the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the "SPPI assessment"). The SPPI assessment was conducted on the following financial assets:
 - Policy-holder receivables
 - Re-insurance receivables
 - Investments

2. Financial assets – Impairment

IFRS 9 does not prescribe specific approaches used to estimate ECL but emphasizes that the approach adopted must reflect probability weighted outcome, time value of money and forward-looking information. Considering the nature and composition of the Company's portfolios, the Company has used "General approach" for Premium Receivables, Reinsurance Receivables and Investment Portfolio.

IFRS 9 impairment applies to financial instruments that are not measured at Fair Value through Statement of Income (FVSI). Equity instruments measured at Fair Value through Other Comprehensive Income (FVOCI) are also excluded from the purview of impairment.

A. Premium Receivables

In order to define event of default, it is assumed that defaults take place at greater than 365 days ageing. Vasicek single factor model has been developed for macroeconomic overlay. IMF October 2023 forecast for KSA region is applied for estimating macroeconomic overlay. For applying the macroeconomic overlay, the Company has used GDP changes as a macroeconomic variable. For asset correlation computation, the Company has used the formula prescribed under Basel norms ("Basel formula"); and for probability weighted PD, the Company has used the base and best/worst case scenarios along with respective weightages.

B. Reinsurance Receivables

The Company has deployed the rating methodology for reinsurance receivables. In arriving Probability of Default (PD) values, the Company has used S&P Global Rating Transition Matrix for Emerging Market for Corporates. Modifiers in same rating grade were given same PDs, i.e. AA+, AA- are assigned an equivalent PD as 'AA' and A+, A- are assigned an equivalent PD of 'A'. Additionally, the Company has imputed 'BB' rating as a surrogate for unrated counterparties. LGD is assumed as 70% underlying the Company's conservative approach towards risk management. For Sovereign bonds, the Company has applied a PD based on its external rating. Vasicek single factor model has been developed for macroeconomic overlay. For applying Macroeconomic overlay, the Company has used GDP change as a macroeconomic variable. For asset correlation computation, the Company has used the Basel formula. For probability weighted PD, the Company has used base and best/worst case scenarios along with respective weightages.

C. Investment Portfolio including Cash and Cash Equivalents

From investment portfolio, the Company have excluded Equities and Mutual funds for ECL computation. In case of unrated instruments, rating grade of issuer with one notch down is considered as final rating of the instrument. In case of cash the same was considered stage 1. For arriving at Probability of Default (PD) Values, the Company have used S&P Global Rating Transition Matrix for Emerging Market for Corporates. Vasicek single factor model is applied for macroeconomic overlay based on IMF's October 2023 forecast for KSA region.

3. Financial liabilities

IFRS 9 largely retains the requirements in IAS 39 for the classification and measurement of financial liabilities. However, under IAS 39 all fair value changes of financial liabilities designated as at FVTPL are recognized in the statement of income, whereas under IFRS 9 these fair value changes will generally be presented as follows:

- o The amount of the change in the fair value that is attributable to changes in the credit risk of the liability will be presented in Other Comprehensive Income;
- o The remaining amount of the change in the fair value will be presented in the statement of income.

Others Standards issued but not yet Effective

There are no other amendments or interpretations that are effective for annual periods beginning on or after 1 January 2023 that have a material impact on the condensed interim financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The accounting policies, estimates and assumptions used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2022, except for IFRS 9 and IFRS 17 adopted by the Company on 1 January 2023.

Interim condensed financial statements are prepared under the going concern convention using the accrual basis of accounting. The historical cost convention is followed except for the measurement at fair value of FVOCI investments.

Financial assets and financial liabilities are offset and the net amount reported only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously. Income and expense are not offset unless required or permitted by an accounting standard or interpretation as specifically disclosed in the accounting policies.

Presentation is in Saudi Riyals, the functional currency of the Company. All amounts are derived from Arabic and English computerised accounting records and except where otherwise indicated are rounded to thousands using the standard rounding convention.

As required by the Implementing Regulations, the Company maintains separate books of account for insurance operations and shareholders' operations and presents the financial information accordingly. Assets, liabilities, revenues and expenses clearly attributable to either activity are recorded in the respective accounts. The basis of allocation of expenses from joint operations is determined by management and approved by the Board of Directors.

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

The interim condensed statement of financial position and interim condensed statements of income and comprehensive income of insurance operations and shareholders' operations presented in Note 29 of the financial statements have been provided as supplementary financial information to comply with the Implementing Regulations which require the clear segregation of the assets, liabilities, income and expenses of insurance operations and shareholders' operations.

Accordingly, the statement of financial position and statements of income and comprehensive income of insurance operations and shareholders' operations presented in Note 29 of the financial statements reflect the assets, liabilities, income, expenses and comprehensive gains or losses of the respective operations.

The inclusion of separate information of insurance operations and shareholders' operations in the interim condensed statement of financial position and interim condensed statements of income, comprehensive income and cash flows as well as certain relevant notes to the financial statements represent supplementary information required by the Implementing Regulations but not required by IFRS.

b) Liability adequacy test

At each statement of financial position date, liability adequacy tests are performed to ensure the adequacy of the insurance contracts liabilities net of related deferred policy acquisition costs. In performing these tests management uses current best estimates of future contractual cash flows and claims handling and administration expenses. Any deficiency in the carrying amounts is immediately charged to the statement of income by establishing a provision for losses arising from liability adequacy tests accordingly.

c) Seasonality of operations

There are no seasonal changes that may affect insurance operations of the Company.

d) Currencies

Exchange rates prevailing at the date of transactions are used to translate transactions denominated in foreign currencies to Saudi Riyals. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Resulting gains or losses, both realised and unrealised, are recognised as income or expense.

Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the date of the initial transaction and are not subsequently restated.

e) Trade date accounting

All purchases and sales of financial instruments are accounted for at trade date being the date the Company commits to purchase or sell.

f) Provisions

Provisions are recognised when the Company has an obligation (legal or constructive) arising from a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provided amount to be recovered, the recovery is recognised only when it is believed to be certain.

g) Fair value of financial instruments

The fair value of financial instruments is based where possible on quoted prices for marketable securities. The fair value of commission bearing items is estimated based on discounted cash flows using commission rates for items with similar terms and risk characteristics.

For financial instruments where there is no active market, fair value is determined by reference to the market value of similar financial instruments or where this cannot be determined is calculated using a variety of valuation techniques. The assumptions are taken from observable market data where possible and where this is not possible judgment is relied upon to establish fair values.

h) Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial instrument or a group of financial instruments is impaired.

An impairment exists if one or more events that has occurred since the initial recognition of the instrument has an impact on the estimated future cash flows of the instrument or the group of instruments that can be reliably estimated.

Evidence of impairment may include:

Significant financial difficulty of the issuer or debtor;

A breach of contract, such as a default or delinquency in payments;

It becoming probable that the issuer or debtor will enter bankruptcy or other financial reorganization;

The disappearance of an active market for that financial instrument because of financial difficulties; or

Observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial instruments since the initial recognition of those instruments, although the decrease cannot yet be identified with the individual financial instruments in the Company. This could include adverse changes in the payment status of issuers or debtors in the Company or national or local economic conditions at the country of the issuers that correlate with defaults.

If there is objective evidence that an impairment loss on a financial instrument exists, the impairment is determined as follows:

For instruments carried at fair value impairment arises to the extent significant or prolonged decline in fair value has occurred.

For instruments carried at amortized cost impairment arises to the extent discounted estimated future cash flows are significantly less than amortized cost.

For debt instruments classified as available for sale the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised. If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to credit events occurring after the impairment loss was recognised the impairment loss is reversed.

The determination of what is significant or prolonged requires judgement. In making this judgement a period of 12 months or longer is considered to be prolonged and decline of 30% from original cost is considered to be significant.

The Company considers factors such as market's assessment of creditworthiness as reflected in bond yields, rating agencies' assessment, country's ability to access capital markets and probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness. The amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of income and statement of comprehensive income.

For equity investments held as FVOCI, a significant or prolonged decline in fair value below its carrying costs represents objective evidence of impairment. The impairment loss cannot be reversed through statement of income as long as the investment continues to be recognised i.e. any increase in fair value after impairment has been recorded can only be recognised in other comprehensive income. On derecognition, any cumulative gain or loss previously recognised in other comprehensive income is included in the statement of income under realised gain / (loss) on FVOCI investments.

i) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment.

Assets that are subject to depreciation are reviewed for impairment annually or earlier if events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash-generating units and cash flows.

j) Derecognition of financial instruments

The derecognition of a financial instrument takes place when the Company no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold or all the cash flows attributable to the instrument are passed through to an independent third party and the Company has also transferred substantially all risks and rewards of ownership.

k) Segmental reporting

A segment is a distinguishable component of the Company that is engaged either in providing products or services (a business segment) or in providing products or services within a particular economic environment (a geographic segment), which is subject to risks and rewards that are different from those of other segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

l) Events after the reporting date

Adjustments are made to reflect the impact of events occurring between the reporting and publishing dates provided they give evidence of conditions that existed at the reporting date. Events that are indicative of conditions that arose after the reporting date are disclosed but no adjustment is made for their impact.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank current accounts and deposits (including short term highly liquid investments) with original maturities of three months or less.

n) Fixed income deposits

Short term fixed income deposits are deposits maturing after 3 and before 12 months from the deposit placement date. Long term fixed income deposits are deposits maturing more than 12 months from the deposit placement date.

o) Property, equipment and intangible assets

Property, equipment and intangible assets are stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Replacement or major refurbishment costs are capitalised when incurred if it is probable that future economic benefits resulting from incurring the cost will arise and the cost can be measured reliably. All other repair and maintenance costs are charged to the statement of income as they are incurred.

Depreciation is provided on a straight line basis over the useful lives of the assets at the following rates:

Fixed assets	Useful life in years
Leasehold fixtures	6
Office furniture	5
Office equipment	4
Motor vehicles	5
IT equipment	3 - 4
Intangible Assets	Useful life in years
Software	5
Customer relationship - Group life	13
Customer relationship - Individual life	12

The assets' residual values and remaining useful lives are continually reviewed and adjusted if appropriate. Impairment losses are recognised as an expense.

An item of property, equipment or an intangible asset is derecognised upon disposal or when no further future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset is recognised as income or expense.

Capital work-in-progress includes tangible and intangible assets being developed for future use and are not depreciated. When the assets are commissioned the work-in-progress amount is transferred to the respective asset categories and thereafter depreciated as set out above with effect from the commissioning date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are reported in the statement of income.

p) Leases

The Company recognises right-of-use assets representing the right to use the underlying leased asset and a lease liability representing the obligation to make lease payments.

Assets and liabilities arising from a lease are initially measured on a present value basis using the incremental borrowing rate, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

There are optional exemptions for short-term leases and leases of low-value items. Short-term leases are leases with a lease term of 12 months or less.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the statement of income.

q) Goodwill

Goodwill is initially recognised at cost and is not amortised but subsequent to initial recognition is tested for impairment annually and carried at cost less accumulated impairment losses.

Impairment is determined by assessing the recoverable amount of each cash-generating unit or group of cash-generating units to which the goodwill relates. Where the recoverable amount is less than their carrying amount, an impairment loss is recognised.

Impairment losses are not reversed in subsequent periods.

r) Provision for end of service indemnities

Benefits payable to Company employees at the end of their service are provided for in accordance with the labour laws of Saudi Arabia.

The cost of this benefit for each employee is charged over their period of employment and provisions are continually re-assessed and adjusted on the basis of current salary, related benefits and completed service.

On cessation of employment, the entitlement will be paid based upon the employees' final salary, related benefits and length of service.

Interim payments may be approved at the Company's discretion for employees with service in excess of 10 years.

The Company has calculated end of service liability in accordance with IAS 19.

No material difference arises between this amount and the liability calculated in accordance with the Labour Laws of the Kingdom of Saudi Arabia and accordingly no adjustment was required to the financial statements.

s) Dividend distribution

Dividend distribution is recognized as a liability in the period in which the dividend is approved by the shareholders.

5. BUSINESS COMBINATION

The Company entered into a Memorandum of Understanding ("MoU") on 11 April 2021 (corresponding to 29 Sha'ban 1442) with Al Ahli Takaful Company ("ATC") to begin a reciprocal due diligence process and to negotiate the final terms and conditions of the potential Merger ("Merger" or "Transaction") between ATC and the Company.

Later on 12 July 2021 (corresponding to 02 Dhul Hijjah 1442), the Company announced its entry into a binding merger agreement with ATC ("Merger Agreement") in an effort to acquire all shares held by the shareholders of ATC through the submission of an offer to exchange shares without any cash considerations, such exchange to be effected by way of increasing the capital of the Company through the issuance of new ordinary shares to all shareholders in ATC. Accordingly, the Company received a no-objection from SAMA and other regulatory authorities on the merger transaction on 29 October 2021 (corresponding to 23 Rabi Al Awwal 1443).

The shareholders in the Extraordinary General Assembly meeting ("EGAM") held on 09 December 2021 (corresponding to 05 Jumada Al Oula 1443) approved the proposed merger of the Company and ATC to be effected by way of a merger pursuant to Article 191, 192, and 193 of the Companies Law issued under Royal Decree No. M3 dated 10 November 2015 (corresponding to 28 Muharram 1437), through the issuance of 1,431,147,691,377,05 new shares in the Company for each share in ATC subject to the terms and conditions of the Merger Agreement.

The Company has announced the effectiveness of the merger of ATC into the Company on 12 January 2022 (corresponding to 09 Jumada Al-Thani 1443) after satisfying the Merger conditions agreed between the two companies in the Merger agreement and set out in the Shareholder Circular and the Offer Document issued by the Company with respect to the Merger, including the expiry of the creditors' objection period with no outstanding or unsettled objections. The merger resulted in the increase of the paid-up capital from 400,000 to 638,525.

The merger has been accounted for using the acquisition method under IFRS 3 – Business Combinations (the "Standard") with the Company being the acquirer and ATC being the acquiree. The Company has accounted for the acquisition based on provisional fair values of the acquired assets and assumed liabilities as at 12 January 2022 "acquisition date". Adjustment to the provisional values and their impact on the goodwill and acquired net assets of the Company will be finalised within twelve months of the date of acquisition as allowed by the Standard.

Purchase consideration

The purchase consideration was determined to be 594,404 which consisted of the issue of 23,852,462 new shares to the shareholders of ATC.

The fair value of the new issued shares of the Company was determined on the basis of the closing market price of the ordinary shares of SAR 24.92 per share on the Tadawul on the last trading date prior to the acquisition date of 12 January 2022. Issue costs which were directly attributable to the issue of the shares were not material. As a result, there was an increase in share capital and share premium of 238,525 and 355,879, respectively.

The management has carried out a comprehensive Purchase Price Allocation undertaking wherein the provisional amounts could be finalised. Following the application of Purchase Price Allocation Methodology, the previously recognised goodwill amounting to 352,398 has been divided between intangibles and goodwill by 34,244 and 318,154 respectively. The said revisions are within the aforementioned measurement period.

Identifiable assets acquired and liabilities assumed

The following table summarises the fair value of assets acquired and liabilities assumed as at 12 January 2022.

	Amount
ASSETS	
Cash and cash equivalents	63,476
Premiums and reinsurers' receivable – net	31,571
Reinsurers' share of unearned gross premiums	1,384
Reinsurers' share of outstanding gross claims	57,801
Reinsurers' share of gross claims incurred but not reported	25,751
Unit-linked investments	676,132
Investments	270,688
Prepaid expenses and other assets	13,417
Property and equipment – net	3,354
Intangible assets – net	830
Statutory deposit	16,667
Accrued income on statutory deposit	2,295
TOTAL ASSETS	1,163,366
LIABILITIES	
Accrued and other liabilities	31,813
Reinsurers' balances payable	37,289
Unearned gross premiums	2,085
Outstanding gross claims	83,972
Gross claims incurred but not reported	32,718
Unit reserves	691,337
Other technical reserves	437
Due to related parties	229
Accounts payable	446
Withholding tax provision	2,779
End-of-service indemnities	3,462
Policyholders' surplus distribution payable	22,570
Zakat	9,928
Accrued commission income payable to SAMA	2,295
TOTAL LIABILITIES	921,360
ATC's net assets as at acquisition date	242,006
Goodwill arising from the acquisition	318,154
Intangibles recognised from the acquisition	34,244
Purchase consideration	594,404

Purchase price allocation

The Company has undertaken a comprehensive purchase price allocation and has identified the following intangible assets and their valuation approach and methodologies are further detailed below:

Goodwill	318,154
Intangible Assets acquired in merger	
Customer relationships (Group Life)	8,348
Customer relationships (Individual Life)	25,896
Total	352,398

Valuation approach and methodology

IAS 38 specifies that if an entity can evidence that it can control economic benefits from non-contractual relationships, those customer relationships are identified as separable and can be recognized as an intangible asset. Alahli Takaful Company's customer base has historically contributed a consistent revenue stream for the Company with various insurance agreements. Hence, the relationship has been regarded to represent a Customer Relationship intangible.

Customer relationships reflect the value derived from future GWP payments expected from underwriting insurance contracts with the existing customer base. Customers have been categorised into group and individual life customers due to differences in attrition rates, GWP per customer and profit margin of the portfolios. The Management has employed "Multi Period Excess Earnings Method" for valuing the customer relationship and is considered to have a useful life of:

- thirteen (13) years for Group Life
- twelve (12) years for Individual Life.

6. IMPAIRMENT TESTING OF GOODWILL ACQUIRED IN BUSINESS COMBINATION

The goodwill acquired through business combinations as referred to Note 5 will be reviewed annually, and assessed the recoverable amount of the cash generating unit (or a group of cash generating units) to which the goodwill is related.

As per IAS 36, an impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

IAS 36 defines an asset's cash generating unit as the smallest group of assets that generate cash inflows largely independent of the cash inflows from other assets or groups of assets. Each CGU or group of CGUs to which goodwill is allocated must: (1) represent the lowest level within the entity at which the goodwill is monitored for internal management purposes; and (2) not be larger than an operating segment (IFRS 8.5).

As such for the purpose of impairment assessment performed, the Company's CGUs are identified as the four (4) operating segments: Motor, Medical, Property & Casualty ("P&C"), and Protection & Saving ("P&S").

Valuation approach and methodologies

The recoverable amount of the cash-generating units has been determined based on a value in use calculation, using cash flow projections covering a three-year (3) period and by applying a terminal growth rate thereafter. The calculation of value in use in the cash-generating units is most sensitive to the following assumptions:

- Future cash flows available from operations;
- Weighted average cost of capital at 13.50%
- Terminal growth rate at 3%.

Based on the current impairment assessment, goodwill is not impaired as at 31 December 2022.

This assessment was carried out by an independent evaluator appointed by the Company in their final report dated 19 March 2023. This includes a forecast of cash flows discounted using the WACC ('Weighted Average Cost of Capital') in the jurisdiction where the Company operates. As per this assessment, the recoverable value of the CGU is 1,454,467. A half-percentage point change in the discount rate or the terminal growth rate keeping other factors constant would impact the recoverable amount of the CGUs as mentioned in the table below:

Change in WACC	Change in Terminal Growth Rate		
	2.5%	3.0%	3.5%
13.00%	1,405,269	1,424,482	1,445,523
13.50%	1,433,145	1,454,467	1,477,921
14.00%	1,463,544	1,487,311	1,513,580

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Insurance operations			
Bank balances and cash	85,524	41,081	50,146
Deposits maturing within 3 months from the acquisition date	160,000	65,000	180,916
Accrued commission income	1,012	245	20
Impairment allowance	(39)	(11)	(135)
Total	246,497	106,315	230,947
Shareholders' operations			
Bank balances and cash	325	13	326
Deposits maturing within 3 months from the acquisition date	0	40,000	134,167
Accrued commission income	0	411	384
Impairment allowance	0	(6)	(70)
Total	325	40,418	134,807
Combined balances			
Bank balances and cash	85,849	41,094	50,472
Deposits maturing within 3 months from the acquisition date	160,000	105,000	315,083
Accrued commission income	1,012	656	404
Impairment allowance	(39)	(17)	(205)
Total	246,822	146,733	365,754

All bank balances and deposits are placed with SAMA regulated local banks with sound credit ratings under Standard and Poor's and Moody's rating methodology. The deposits earn commission at an average rate of 5.86% per annum as at 30 September 2023 (2022: 4.00%).

8. SHORT TERM FIXED INCOME DEPOSIT

Short term fixed income deposits maturing after 3 and before 12 months from the deposit placement date are as follows:

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Insurance operations			
Accrued commission income	125,001	227,815	0
Impairment allowance	1,526	2,683	0
Total	(29)	(35)	0
Shareholders' operations			
Accrued commission income	219,999	115,000	0
Impairment allowance	7,331	1,387	0
Total	(87)	(16)	0
Combined balances			
Accrued commission income	345,000	342,815	0
Impairment allowance	8,857	4,070	0
Total	(116)	(51)	0
Total	353,741	346,834	0

All bank balances and deposits are placed with SAMA regulated local banks with sound credit ratings under Standard and Poor's and Moody's rating methodology. The deposits earn commission at an average rate of 5.98% per annum as at 30 September 2023 (2022: 5.60%).

9. STATUTORY DEPOSIT

In compliance with the Insurance Implementation Regulation of SAMA, the Company maintains a deposit of 63,852 (31 December 2022: 63,852) in a deposit account at The Saudi British Bank. This deposit cannot be withdrawn without SAMA's consent and the Company does not earn commission from the deposit.

The accrued income on the deposit as at 30 September 2023 is 2,347 (31 December 2022: 6,781) and has been disclosed as "Accrued income on statutory deposit" and the corresponding commission is shown in liabilities as "Accrued commission income payable to SAMA".

As per SAMA instruction dated 30 August 2023, the accrued income of 6,781 as at 31 December 2022 was remitted accordingly.

10. INSURANCE LINKED INVESTMENTS

Insurance Operations

Investment assets comprise units of funds, denominated in United States Dollars, which are managed by Saudi National Bank Capital and are based in the Kingdom of Saudi Arabia.

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Investments held to cover unit-linked liabilities			
AlAhli Multi-Asset Conservative Fund	274,568	285,863	0
AlAhli Multi-Asset Moderate Fund	152,492	150,656	0
AlAhli Multi-Asset Growth Fund	147,398	118,342	0
Cash in transit	(25,755)	3,107	0
Total	548,703	557,968	0

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
The movement in investment assets during the period is as follows:			
Balance at start of the period	557,968	0	0
Acquired through business combination	0	676,132	0
Purchased during the period	15,745	0	0
Redemption during the period	(43,722)	(80,730)	0
Change in fair value during the period	47,574	(40,541)	0
Cash in transit	(28,862)	3,107	0
Balance at end of the period	548,703	557,968	0

Carrying amounts and fair values

All Unit-linked investments are classified under Level 1 fair value hierarchy.

11. INSURANCE AND REINSURANCE CONTRACTS

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Composition of Balance Sheet			
Insurance Contract assets	45	266	0
Insurance Contract liabilities	(1,116,345)	(1,084,348)	(298,794)
Reinsurance Contract assets	231,691	224,163	149,184
Reinsurance Contract liabilities	(131)	(896)	(100)
Balance at end of the period	(884,740)	(860,815)	(149,710)

Analysis by remaining coverage and incurred claims (Insurance)

	30 Sep 2023			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Insurance Contract Liabilities	621,228	30,745	432,375	1,084,348
Opening Insurance Contract Assets	0	0	(266)	(266)
Net opening balance	621,228	30,745	432,109	1,084,082
Insurance Revenue	(834,295)	0	0	(834,295)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	875,109	875,109
Changes that relate to past service - adjustments to the LIC	0	0	(181,191)	(181,191)
Losses on onerous contracts and reversal of those losses	0	(8,721)	0	(8,721)
Insurance acquisition cashflows amortisation	53,665	0	0	53,665
Insurance Service expenses	53,665	(8,721)	693,918	738,862
Insurance Service result	(780,630)	(8,721)	693,918	(95,433)
Finance (income) expenses from insurance contracts issued	46,732	0	2	46,734
Total amounts recognised in comprehensive income	(733,898)	(8,721)	693,920	(48,699)
Investment components	(126,834)	0	126,834	0
Cash flows				
Premiums received	978,098	0	0	978,098
Other charges	2,524	0	220	2,744
Claims and other directly attributable expenses paid	(5,240)	0	(840,091)	(845,331)
Insurance acquisition cashflows deducted	(54,594)	0	0	(54,594)
Total cash flows	920,788	0	(839,871)	80,917
Outstanding amounts transferred to LIC at end of cover	1,025	0	(1,025)	0
Net closing balance	682,309	22,024	411,967	1,116,300
Closing Insurance Contract Liabilities	682,309	22,024	412,012	1,116,345
Closing Insurance Contract Assets	0	0	(45)	(45)
Net closing balance	682,309	22,024	411,967	1,116,300

a) Motor

	30 Sep 2023			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Insurance Contract Liabilities	25,702	5,629	91,705	123,036
Opening Insurance Contract Assets	0	0	0	0
Net opening balance	25,702	5,629	91,705	123,036
Insurance Revenue	(113,007)	0	0	(113,007)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	140,250	140,250
Changes that relate to past service - adjustments to the LIC	0	0	(39,595)	(39,595)
Losses on onerous contracts and reversal of those losses	0	3,863	0	3,863
Insurance acquisition cashflows amortisation	10,326	0	0	10,326
Insurance Service expenses	10,326	3,863	100,655	114,844
Insurance Service result	(102,681)	3,863	100,655	1,837
Finance (income) expenses from insurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	(102,681)	3,863	100,655	1,837
Investment components	0	0	0	0
Cash flows				
Premiums received	153,996	0	0	153,996
Other charges	0	0	0	0
Claims and other directly attributable expenses paid	0	0	(89,610)	(89,610)
Insurance acquisition cashflows deducted	(9,733)	0	0	(9,733)
Total cash flows	144,263	0	(89,610)	54,653
Outstanding amounts transferred to LIC at end of cover	803	0	(803)	0
Net closing balance	68,087	9,492	101,947	179,526
Closing Insurance Contract Liabilities	68,087	9,492	101,947	179,526
Closing Insurance Contract Assets	0	0	0	0
Net closing balance	68,087	9,492	101,947	179,526

	30 Sep 2023			
	Excl loss component	Loss component	LIC	Total
Opening Insurance Contract Liabilities	60,410	25,023	122,471	207,904
Opening Insurance Contract Assets	0	0	0	0
Net opening balance	60,410	25,023	122,471	207,904
Insurance Revenue	(396,582)	0	0	(396,582)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	418,445	418,445
Changes that relate to past service - adjustments to the LIC	0	0	(52,891)	(52,891)
Losses on onerous contracts and reversal of those losses	0	(12,571)	0	(12,571)
Insurance acquisition cashflows amortisation	28,479	0	0	28,479
Insurance Service expenses	28,479	(12,571)	365,554	381,462
Insurance Service result	(368,103)	(12,571)	365,554	(15,120)
Finance (income) expenses from insurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	(368,103)	(12,571)	365,554	(15,120)
Investment components	0	0	0	0
Cash flows				
Premiums received	418,126	0	0	418,126
Other charges	0	0	0	0
Claims and other directly attributable expenses paid	0	0	(372,062)	(372,062)
Insurance acquisition cashflows deducted	(30,226)	0	0	(30,226)
Total cash flows	387,900	0	(372,062)	15,838
Outstanding amounts transferred to LIC at end of cover	1,471	0	(1,471)	0
Net closing balance	81,678	12,452	114,492	208,622
Closing Insurance Contract Liabilities	81,678	12,452	114,492	208,622
Closing Insurance Contract Assets	0	0	0	0
Net closing balance	81,678	12,452	114,492	208,622

c) Property & Casualty

	30 Sep 2023			
	Excl loss component	Loss component	LIC	Total
Opening Insurance Contract Liabilities	7,242	93	33,096	40,431
Opening Insurance Contract Assets	0	0	0	0
Net opening balance	7,242	93	33,096	40,431
Insurance Revenue	(81,247)	0	0	(81,247)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	11,862	11,862
Changes that relate to past service - adjustments to the LIC	0	0	(8,105)	(8,105)
Losses on onerous contracts and reversal of those losses	0	(13)	0	(13)
Insurance acquisition cashflows amortisation	4,620	0	0	4,620
Insurance Service expenses	4,620	(13)	3,757	8,364
Insurance Service result	(76,627)	(13)	3,757	(72,883)
Finance (income) expenses from insurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	(76,627)	(13)	3,757	(72,883)
Investment components	0	0	0	0
Cash flows				
Premiums received	103,838	0	0	103,838
Other charges	0	0	0	0
Claims and other directly attributable expenses paid	0	0	(5,143)	(5,143)
Insurance acquisition cashflows deducted	(5,335)	0	0	(5,335)
Total cash flows	98,503	0	(5,143)	93,360
Outstanding amounts transferred to LIC at end of cover	(536)	0	536	0
Net closing balance	28,582	80	32,246	60,908
Closing Insurance Contract Liabilities	28,582	80	32,246	60,908
Closing Insurance Contract Assets	0	0	0	0
Net closing balance	28,582	80	32,246	60,908

d) Protection & Savings

	30 Sep 2023			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Insurance Contract Liabilities	527,874	0	185,103	712,977
Opening Insurance Contract Assets	0	0	(266)	(266)
Net opening balance	527,874	0	184,837	712,711
Insurance Revenue	(243,459)	0	0	(243,459)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	304,552	304,552
Changes that relate to past service - adjustments to the LIC	0	0	(80,600)	(80,600)
Losses on onerous contracts and reversal of those losses	0	0	0	0
Insurance acquisition cashflows amortisation	10,240	0	0	10,240
Insurance Service expenses	10,240	0	223,952	234,192
Insurance Service result	(233,219)	0	223,952	(9,267)
Finance (income) expenses from insurance contracts issued	46,732	0	2	46,734
Total amounts recognised in comprehensive income	(186,487)	0	223,954	37,467
Investment components	(126,834)	0	126,834	0
Cash flows				
Premiums received	302,138	0	0	302,138
Other charges	2,524	0	220	2,744
Claims and other directly attributable expenses paid	(5,240)	0	(373,276)	(378,516)
Insurance acquisition cashflows deducted	(9,300)	0	0	(9,300)
Total cash flows	290,122	0	(373,056)	(82,934)
Outstanding amounts transferred to LIC at end of cover	(713)	0	713	0
Net closing balance	503,962	0	163,282	667,244
Closing Insurance Contract Liabilities	503,962	0	163,327	667,289
Closing Insurance Contract Assets	0	0	(45)	(45)
Net closing balance	503,962	0	163,282	667,244

Analysis by remaining coverage and incurred claims (Reinsurance)

	30 Sep 2023			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Reinsurance Contract Liabilities	185	0	711	896
Opening Reinsurance Contract Assets	64,308	(3,431)	(285,040)	(224,163)
Net opening balance	64,493	(3,431)	(284,329)	(223,267)
Reinsurance Revenue	242,344	0	0	242,344
Reinsurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	(245,539)	(245,539)
Changes that relate to past service - adjustments to the LIC	0	0	66,541	66,541
Losses on onerous contracts and reversal of those losses	0	3,382	0	3,382
Reinsurance Service expenses	0	3,382	(178,998)	(175,616)
Reinsurance Service result	242,344	3,382	(178,998)	66,728
Finance income (expenses) from reinsurance contracts issued	750	0	(3)	747
Total amounts recognised in comprehensive income	243,094	3,382	(179,001)	67,475
Investment components	0	0	0	0
Cash flows				
Claims recovered and commissions received	(8,810)	0	222,798	213,988
Premiums paid	(289,756)	0	0	(289,756)
Total cash flows	(298,566)	0	222,798	(75,768)
Outstanding amounts transferred to LIC at end of cover	(2,535)	0	2,535	0
Net closing balance	6,486	(49)	(237,997)	(231,560)
Closing Reinsurance Contract Liabilities	(300)	0	431	131
Closing Reinsurance Contract Assets	6,786	(49)	(238,428)	(231,691)
Net closing balance	6,486	(49)	(237,997)	(231,560)

a) Motor

	30 Sep 2023			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Reinsurance Contract Liabilities	0	0	525	525
Opening Reinsurance Contract Assets	12,107	(3,377)	(80,160)	(71,430)
Net opening balance	12,107	(3,377)	(79,635)	(70,905)
Reinsurance Revenue	20,115	0	0	20,115
Reinsurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	(15,111)	(15,111)
Changes that relate to past service - adjustments to the LIC	0	0	6,328	6,328
Losses on onerous contracts and reversal of those losses	0	3,377	0	3,377
Reinsurance Service expenses	0	3,377	(8,783)	(5,406)
Reinsurance Service result	20,115	3,377	(8,783)	14,709
Finance income (expenses) from reinsurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	20,115	3,377	(8,783)	14,709
Investment components	0	0	0	0
Cash flows				
Claims recovered and commissions received	4,000	0	19,372	23,372
Premiums paid	(22,348)	0	0	(22,348)
Total cash flows	(18,348)	0	19,372	1,024
Outstanding amounts transferred to LIC at end of cover	(3,705)	0	3,705	0
Net closing balance	10,169	0	(65,341)	(55,172)
Closing Reinsurance Contract Liabilities	(300)	0	424	124
Closing Reinsurance Contract Assets	10,469	0	(65,765)	(55,296)
Net closing balance	10,169	0	(65,341)	(55,172)

b) Property & Casualty

	30 Sep 2023			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Reinsurance Contract Liabilities	185	0	179	364
Opening Reinsurance Contract Assets	2,901	(54)	(32,978)	(30,131)
Net opening balance	3,086	(54)	(32,799)	(29,767)
Reinsurance Revenue	58,032	0	0	58,032
Reinsurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	(870)	(870)
Changes that relate to past service - adjustments to the LIC	0	0	138	138
Losses on onerous contracts and reversal of those losses	0	5	0	5
Reinsurance Service expenses	0	5	(732)	(727)
Reinsurance Service result	58,032	5	(732)	57,305
Finance income (expenses) from reinsurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	58,032	5	(732)	57,305
Investment components	0	0	0	0
Cash flows				
Claims recovered and commissions received	12,500	0	854	13,354
Premiums paid	(85,564)	0	0	(85,564)
Total cash flows	(73,064)	0	854	(72,210)
Outstanding amounts transferred to LIC at end of cover	1,768	0	(1,768)	0
Net closing balance	(10,178)	(49)	(34,445)	(44,672)
Closing Reinsurance Contract Liabilities	0	0	0	0
Closing Reinsurance Contract Assets	(10,178)	(49)	(34,445)	(44,672)
Net closing balance	(10,178)	(49)	(34,445)	(44,672)

c) Protection & Savings

	30 Sep 2023			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Reinsurance Contract Liabilities	0	0	7	7
Opening Reinsurance Contract Assets	49,300	0	(171,902)	(122,602)
Net opening balance	49,300	0	(171,895)	(122,595)
Reinsurance Revenue	164,197	0	0	164,197
Reinsurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	(229,558)	(229,558)
Changes that relate to past service - adjustments to the LIC	0	0	60,075	60,075
Losses on onerous contracts and reversal of those losses	0	0	0	0
Reinsurance Service expenses	0	0	(169,483)	(169,483)
Reinsurance Service result	164,197	0	(169,483)	(5,286)
Finance income (expenses) from reinsurance contracts issued	750	0	(3)	747
Total amounts recognised in comprehensive income	164,947	0	(169,486)	(4,539)
Investment components	0	0	0	0
Cash flows				
Claims recovered and commissions received	(25,310)	0	202,572	177,262
Premiums paid	(181,844)	0	0	(181,844)
Total cash flows	(207,154)	0	202,572	(4,582)
Outstanding amounts transferred to LIC at end of cover	(598)	0	598	0
Net closing balance	6,495	0	(138,211)	(131,716)
Closing Reinsurance Contract Liabilities	0	0	7	7
Closing Reinsurance Contract Assets	6,495	0	(138,218)	(131,723)
Net closing balance	6,495	0	(138,211)	(131,716)

Analysis by measurement component - Contracts not measured under PAA (Insurance)

	30 Sep 2023			
	Present value of future cashflows	Risk adjustment for non-financial risk	CSM	Total
Opening Insurance Contract Liabilities	476,437	2,028	50,031	528,496
Opening Insurance Contract Assets	0	0	0	0
Net opening balance	476,437	2,028	50,031	528,496
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	0	0	(2,464)	(2,464)
Change in the risk adjustment for non-financial risk expired	0	(330)	0	(330)
Experience adjustments	(7,383)	0	0	(7,383)
	(7,383)	(330)	(2,464)	(10,177)
Changes that relate to future service				
Changes in estimates that adjust the CSM	(23,043)	(2,226)	25,270	1
Changes in estimates that result in onerous contract losses or reversal of losses	0	0	0	0
Contracts initially recognised in the period	(8,851)	2,630	6,221	0
	(31,894)	404	31,491	1
Changes that relate to past service				
Changes that relate to past service - adjustments to the U.C	(701)	11	0	(690)
Insurance Service Result	(39,978)	85	29,027	(10,866)
Finance income (expenses) from insurance contracts issued	43,073	194	3,467	46,734
Total amounts recognised in comprehensive income	3,095	279	32,494	35,868
Cash flows				
Premiums received	94,605	0	0	94,605
Other charges	2,743	0	0	2,743
Claims and other directly attributable expenses paid	(131,128)	0	0	(131,128)
Insurance acquisition cashflows	(5,240)	0	0	(5,240)
Total cash flows	(39,020)	0	0	(39,020)
Net closing balance	440,512	2,307	82,525	525,344
Closing Insurance Contract Liabilities	440,512	2,307	82,525	525,344
Closing Insurance Contract Assets	0	0	0	0
Net closing balance	440,512	2,307	82,525	525,344

Analysis by measurement component - Contracts not measured under PAA (Reinsurance)

	30 Sep 2023			
	Present value of future cashflows	Risk adjustment for non-financial risk	CSM	Total
Opening Reinsurance Contract Liabilities	0	0	0	0
Opening Reinsurance Contract Assets	1,859	(160)	(3,409)	(1,710)
Net opening balance	1,859	(160)	(3,409)	(1,710)
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	0	0	103	103
Change in the risk adjustment for non-financial risk expired	0	7	0	7
Experience adjustments	698	0	0	698
	698	7	103	808
Changes that relate to future service				
Changes in estimates that adjust the CSM	(235)	(3)	238	0
Changes in estimates that result in onerous contract losses or reversal of losses	0	0	0	0
Contracts initially recognised in the period	0	0	0	0
	(235)	(3)	238	0
Changes that relate to past service				
Changes that relate to past service - adjustments to the UIC	133	(2)	0	131
Reinsurance Service Result	596	2	341	939
Finance income (expenses) from reinsurance contracts issued	791	(7)	(37)	747
Total amounts recognised in comprehensive income	1,387	(5)	304	1,686
Cash flows				
Claims recovered and commissions received	326	0	0	326
Premiums paid	(1,884)	0	0	(1,884)
Total cash flows	(1,558)	0	0	(1,558)
Net closing balance	1,688	(165)	(3,105)	(1,582)
Closing Reinsurance Contract Liabilities	0	0	0	0
Closing Reinsurance Contract Assets	1,688	(165)	(3,105)	(1,582)
Net closing balance	1,688	(165)	(3,105)	(1,582)

Analysis by remaining coverage and incurred claims (Insurance)

	Restated 31 Dec 2022			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Insurance Contract Liabilities	65,457	10,902	222,435	298,794
Acquired Insurance Contract Liabilities	624,510	0	124,694	749,204
Opening Insurance Contract Assets	0	0	0	0
Acquired Insurance Contract Assets	(43)	0	6	(37)
Net opening balance	689,924	10,902	347,135	1,047,961
Insurance Revenue	(919,925)	0	0	(919,925)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	794,651	794,651
Changes that relate to past service - adjustments to the LIC	0	0	(79,703)	(79,703)
Losses on onerous contracts and reversal of those losses	0	19,843	0	19,843
Insurance acquisition cashflows amortisation	89,396	0	0	89,396
Insurance Service expenses	89,396	19,843	714,948	824,187
Insurance Service result	(830,529)	19,843	714,948	(95,738)
Finance income (expenses) from insurance contracts issued	(45,078)	0	0	(45,078)
Total amounts recognised in comprehensive income	(875,607)	19,843	714,948	(140,816)
Investment components	(196,727)	0	196,727	0
Cash flows				
Premiums received	1,100,882	0	0	1,100,882
Other charges	0	0	0	0
Claims and other directly attributable expenses paid	(10,063)	0	(823,272)	(833,335)
Insurance acquisition cashflows deducted	(90,610)	0	0	(90,610)
Total cash flows	1,000,209	0	(823,272)	176,937
Outstanding amounts transferred to LIC at end of cover	3,429	0	(3,429)	0
Net closing balance	621,228	30,745	432,109	1,084,082
Closing Insurance Contract Liabilities	621,228	30,745	432,375	1,084,348
Closing Insurance Contract Assets	0	0	(266)	(266)
Net closing balance	621,228	30,745	432,109	1,084,082

a) Motor

	Restated 31 Dec 2022			
	LRC Excl loss component	Loss component	LIC	Total
Opening Insurance Contract Liabilities	29,713	3,328	90,194	123,235
Acquired Insurance Contract Liabilities	0	0	0	0
Opening Insurance Contract Assets	0	0	0	0
Acquired Insurance Contract Assets	0	0	0	0
Net opening balance	29,713	3,328	90,194	123,235
Insurance Revenue	(109,093)	0	0	(109,093)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	150,109	150,109
Changes that relate to past service - adjustments to the LIC	0	0	(47,534)	(47,534)
Losses on onerous contracts and reversal of those losses	0	2,300	0	2,300
Insurance acquisition cashflows amortisation	15,014	0	0	15,014
Insurance Service expenses	15,014	2,300	102,575	119,889
Insurance Service result	(94,079)	2,300	102,575	10,796
Finance income (expenses) from insurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	(94,079)	2,300	102,575	10,796
Investment components	0	0	0	0
Cash flows				
Premiums received	104,603	0	0	104,603
Other charges	0	0	0	0
Claims and other directly attributable expenses paid	0	0	(100,698)	(100,698)
Insurance acquisition cashflows deducted	(14,900)	0	0	(14,900)
Total cash flows	89,703	0	(100,698)	(10,995)
Outstanding amounts transferred to LIC at end of cover	364	0	(364)	0
Net closing balance	25,701	5,628	91,707	123,036
Closing Insurance Contract Liabilities	25,701	5,628	91,707	123,036
Closing Insurance Contract Assets	0	0	0	0
Net closing balance	25,701	5,628	91,707	123,036

b) Medical

	Restated 31 Dec 2022			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Insurance Contract Liabilities	24,281	7,572	78,236	110,089
Acquired Insurance Contract Liabilities	0	0	0	0
Opening Insurance Contract Assets	0	0	0	0
Acquired Insurance Contract Assets	0	0	0	0
Net opening balance	24,281	7,572	78,236	110,089
Insurance Revenue	(421,473)	0	0	(421,473)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	399,813	399,813
Changes that relate to past service - adjustments to the LIC	0	0	(10,495)	(10,495)
Losses on onerous contracts and reversal of those losses	0	17,451	0	17,451
Insurance acquisition cashflows amortisation	47,458	0	0	47,458
Insurance Service expenses	47,458	17,451	389,318	454,227
Insurance Service result	(374,015)	17,451	389,318	32,754
Finance income (expenses) from insurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	(374,015)	17,451	389,318	32,754
Investment components	0	0	0	0
Cash flows				
Premiums received	456,460	0	0	456,460
Other charges	0	0	0	0
Claims and other directly attributable expenses paid	0	0	(342,574)	(342,574)
Insurance acquisition cashflows deducted	(48,825)	0	0	(48,825)
Total cash flows	407,635	0	(342,574)	65,061
Outstanding amounts transferred to LIC at end of cover	2,509	0	(2,509)	0
Net closing balance	60,410	25,023	122,471	207,904
Closing Insurance Contract Liabilities	60,410	25,023	122,471	207,904
Closing Insurance Contract Assets	0	0	0	0
Net closing balance	60,410	25,023	122,471	207,904

c) Property & Casualty

	Restated 31 Dec 2022			
	LRC Excl loss component	Loss component	LIC	Total
Opening Insurance Contract Liabilities	8,140	2	47,517	55,659
Acquired Insurance Contract Liabilities	0	0	0	0
Opening Insurance Contract Assets	0	0	0	0
Acquired Insurance Contract Assets	0	0	0	0
Net opening balance	8,140	2	47,517	55,659
Insurance Revenue	(99,987)	0	0	(99,987)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	9,572	9,572
Changes that relate to past service - adjustments to the LIC	0	0	(18,786)	(18,786)
Losses on onerous contracts and reversal of those losses	0	92	0	92
Insurance acquisition cashflows amortisation	8,638	0	0	8,638
Insurance Service expenses	8,638	92	(9,214)	(484)
Insurance Service result	(91,349)	92	(9,214)	(100,471)
Finance income (expenses) from insurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	(91,349)	92	(9,214)	(100,471)
Investment components	0	0	0	0
Cash flows				
Premiums received	98,551	0	0	98,551
Other charges	0	0	0	0
Claims and other directly attributable expenses paid	0	0	(4,480)	(4,480)
Insurance acquisition cashflows deducted	(8,828)	0	0	(8,828)
Total cash flows	89,723	0	(4,480)	85,243
Outstanding amounts transferred to LIC at end of cover	728	0	(728)	0
Net closing balance	7,242	94	33,095	40,431
Closing Insurance Contract Liabilities	7,242	94	33,095	40,431
Closing Insurance Contract Assets	0	0	0	0
Net closing balance	7,242	94	33,095	40,431

d) Protection & Savings

	Restated 31 Dec 2022			
	LRC Excl loss component	Loss component	LIC	Total
Opening Insurance Contract Liabilities	3,323	0	6,488	9,811
Acquired Insurance Contract Liabilities	624,510	0	124,694	749,204
Opening Insurance Contract Assets	0	0	0	0
Acquired Insurance Contract Assets	(43)	0	6	(37)
Net opening balance	627,790	0	131,188	758,978
Insurance Revenue	(289,372)	0	0	(289,372)
Insurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	235,157	235,157
Changes that relate to past service - adjustments to the LIC	0	0	(2,888)	(2,888)
Losses on onerous contracts and reversal of those losses	0	0	0	0
Insurance acquisition cashflows amortisation	18,286	0	0	18,286
Insurance Service expenses	18,286	0	232,269	250,555
Insurance Service result	(271,086)	0	232,269	(38,817)
Finance income (expenses) from insurance contracts issued	(45,078)	0	0	(45,078)
Total amounts recognised in comprehensive income	(316,164)	0	232,269	(83,895)
Investment components	(196,727)	0	196,727	0
Cash flows				
Premiums received	441,268	0	0	441,268
Other charges	0	0	0	0
Claims and other directly attributable expenses paid	(10,063)	0	(375,520)	(385,583)
Insurance acquisition cashflows deducted	(18,057)	0	0	(18,057)
Total cash flows	413,148	0	(375,520)	37,628
Outstanding amounts transferred to LIC at end of cover	(172)	0	172	0
Net closing balance	527,875	0	184,836	712,711
Closing Insurance Contract Liabilities	527,875	0	185,102	712,977
Closing Insurance Contract Assets	0	0	(266)	(266)
Net closing balance	527,875	0	184,836	712,711

Analysis by remaining coverage and incurred claims (Reinsurance)

	Restated 31 Dec 2022			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Reinsurance Contract Liabilities	0	0	100	100
Acquired Reinsurance Contract Liabilities	2,057	0	2,048	4,105
Opening Reinsurance Contract Assets	(3,303)	(1,999)	(143,882)	(149,184)
Acquired Reinsurance Contract Assets	31,920	0	(86,271)	(54,351)
Net opening balance	30,674	(1,999)	(228,005)	(199,330)
Reinsurance Revenue	316,032	0	0	316,032
Reinsurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	(225,471)	(225,471)
Changes that relate to past service - adjustments to the LIC	0	0	14,002	14,002
Losses on onerous contracts and reversal of those losses	0	(1,432)	0	(1,432)
Reinsurance Service expenses	0	(1,432)	(211,469)	(212,901)
Reinsurance Service result	316,032	(1,432)	(211,469)	103,131
Finance income (expenses) from reinsurance contracts issued	(416)	0	0	(416)
Total amounts recognised in comprehensive income	315,616	(1,432)	(211,469)	102,715
Investment components	0	0	0	0
Cash flows				
Claims recovered and commissions received	54,492	0	156,076	210,568
Premiums paid	(337,220)	0	0	(337,220)
Total cash flows	(282,728)	0	156,076	(126,652)
Outstanding amounts transferred to LIC at end of cover	931	0	(931)	0
Net closing balance	64,493	(3,431)	(284,329)	(223,267)
Closing Reinsurance Contract Liabilities	185	0	711	896
Closing Reinsurance Contract Assets	64,308	(3,431)	(285,040)	(224,163)
Net closing balance	64,493	(3,431)	(284,329)	(223,267)

a) Motor

	Restated 31 Dec 2022			
	LRC		LIC	Total
	Excl loss component	Loss component		
Opening Reinsurance Contract Liabilities	0	0	100	100
Acquired Reinsurance Contract Liabilities	0	0	0	0
Opening Reinsurance Contract Assets	(228)	(1,998)	(90,007)	(92,233)
Acquired Reinsurance Contract Assets	0	0	0	0
Net opening balance	(228)	(1,998)	(89,907)	(92,133)
Reinsurance Revenue	38,783	0	0	38,783
Reinsurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	(52,569)	(52,569)
Changes that relate to past service - adjustments to the LIC	0	0	7,904	7,904
Losses on onerous contracts and reversal of those losses	0	(1,379)	0	(1,379)
Reinsurance Service expenses	0	(1,379)	(44,665)	(46,044)
Reinsurance Service result	38,783	(1,379)	(44,665)	(7,261)
Finance income (expenses) from reinsurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	38,783	(1,379)	(44,665)	(7,261)
Investment components	0	0	0	0
Cash flows				
Claims recovered and commissions received	5,767	0	54,940	60,707
Premiums paid	(32,218)	0	0	(32,218)
Total cash flows	(26,451)	0	54,940	28,489
Outstanding amounts transferred to LIC at end of cover	1	0	(1)	0
Net closing balance	12,105	(3,377)	(79,633)	(70,905)
Closing Reinsurance Contract Liabilities	0	0	525	525
Closing Reinsurance Contract Assets	12,105	(3,377)	(80,158)	(71,430)
Net closing balance	12,105	(3,377)	(79,633)	(70,905)

b) Property & Casualty

	Restated 31 Dec 2022			
	LRC			
	Excl loss component	Loss component	LIC	Total
Opening Reinsurance Contract Liabilities	0	0	0	0
Acquired Reinsurance Contract Liabilities	0	0	0	0
Opening Reinsurance Contract Assets	(3,066)	(1)	(48,008)	(51,075)
Acquired Reinsurance Contract Assets	0	0	0	0
Net opening balance	(3,066)	(1)	(48,008)	(51,075)
Reinsurance Revenue	73,909	0	0	73,909
Reinsurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	(2,361)	(2,361)
Changes that relate to past service - adjustments to the LIC	0	0	13,372	13,372
Losses on onerous contracts and reversal of those losses	0	(53)	0	(53)
Reinsurance Service expenses	0	(53)	11,011	10,958
Reinsurance Service result	73,909	(53)	11,011	84,867
Finance income (expenses) from reinsurance contracts issued	0	0	0	0
Total amounts recognised in comprehensive income	73,909	(53)	11,011	84,867
Investment components	0	0	0	0
Cash flows				
Claims recovered and commissions received	18,379	0	4,689	23,068
Premiums paid	(86,627)	0	0	(86,627)
Total cash flows	(68,248)	0	4,689	(63,559)
Outstanding amounts transferred to LIC at end of cover	492	0	(492)	0
Net closing balance	3,087	(54)	(32,800)	(29,767)
Closing Reinsurance Contract Liabilities	185	0	179	364
Closing Reinsurance Contract Assets	2,902	(54)	(32,979)	(30,131)
Net closing balance	3,087	(54)	(32,800)	(29,767)

c) Protection & Savings

	Restated 31 Dec 2022			
	LRC			
	Excl loss component	Loss component	LIC	Total
Opening Reinsurance Contract Liabilities	0	0	0	0
Acquired Reinsurance Contract Liabilities	2,057	0	2,048	4,105
Opening Reinsurance Contract Assets	(9)	0	(5,867)	(5,876)
Acquired Reinsurance Contract Assets	31,920	0	(86,271)	(54,351)
Net opening balance	33,968	0	(90,090)	(56,122)
Reinsurance Revenue	203,340	0	0	203,340
Reinsurance Service expenses				
Incurred claims and other directly attributable expenses	0	0	(170,541)	(170,541)
Changes that relate to past service - adjustments to the LIC	0	0	(7,274)	(7,274)
Losses on onerous contracts and reversal of those losses	0	0	0	0
Reinsurance Service expenses	0	0	(177,815)	(177,815)
Reinsurance Service result	203,340	0	(177,815)	25,525
Finance income (expenses) from reinsurance contracts issued	(416)	0	0	(416)
Total amounts recognised in comprehensive income	202,924	0	(177,815)	25,109
Investment components	0	0	0	0
Cash flows				
Claims recovered and commissions received	30,346	0	96,447	126,793
Premiums paid	(218,375)	0	0	(218,375)
Total cash flows	(188,029)	0	96,447	(91,582)
Outstanding amounts transferred to LIC at end of cover	438	0	(438)	0
Net closing balance	49,301	0	(171,896)	(122,595)
Closing Reinsurance Contract Liabilities	0	0	7	7
Closing Reinsurance Contract Assets	49,301	0	(171,903)	(122,602)
Net closing balance	49,301	0	(171,896)	(122,595)

Analysis by measurement component - Contracts not measured under PAA (Insurance)

	Restated 31 Dec 2022			
	Present value of future cashflows	Risk adjustment for non-financial risk	CSM	Total
Opening Insurance Contract Liabilities	0	0	0	0
Acquired Insurance Contract Liabilities	573,798	3,263	69,892	646,953
Opening Insurance Contract Assets	0	0	0	0
Acquired Insurance Contract Assets	0	0	0	0
Net opening balance	573,798	3,263	69,892	646,953
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	0	0	(2,353)	(2,353)
Change in the risk adjustment for non-financial risk expired	0	(178)	0	(178)
Experience adjustments	(2,652)	0	0	(2,652)
	(2,652)	(178)	(2,353)	(5,183)
Changes that relate to future service				
Changes in estimates that adjust the CSM	32,842	(1,350)	(31,492)	0
Changes in estimates that result in onerous contract losses or reversal of losses	0	0	0	0
Contracts initially recognised in the period	(13,452)	272	13,180	0
	19,390	(1,078)	(18,312)	0
Changes that relate to past service				
Changes that relate to past service - adjustments to the UC	(571)	(2)	0	(573)
Insurance Service Result	16,167	(1,258)	(20,665)	(5,756)
Finance income (expenses) from insurance contracts issued	(45,905)	24	804	(45,077)
Total amounts recognised in comprehensive income	(29,738)	(1,234)	(19,861)	(50,833)
Cash flows				
Premiums received	150,059	0	0	150,059
Other charges	(219)	0	0	(219)
Claims and other directly attributable expenses paid	(207,400)	(1)	0	(207,401)
Insurance acquisition cashflows	(10,063)	0	0	(10,063)
Total cash flows	(67,623)	(1)	0	(67,624)
Net closing balance	476,437	2,028	50,031	528,496
Closing Insurance Contract Liabilities	476,437	2,028	50,031	528,496
Closing Insurance Contract Assets	0	0	0	0
Net closing balance	476,437	2,028	50,031	528,496

Analysis by measurement component - Contracts not measured under PAA (Reinsurance)

	Restated 31 Dec 2022			
	Present value of future cashflows	Risk adjustment for non-financial risk	CSM	Total
Opening Reinsurance Contract Liabilities	0	0	0	0
Acquired Reinsurance Contract Liabilities	7,344	(177)	(3,062)	4,105
Opening Reinsurance Contract Assets	0	0	0	0
Acquired Reinsurance Contract Assets	0	0	0	0
Net opening balance	7,344	(177)	(3,062)	4,105
Changes that relate to current service				
CSM recognised in profit or loss for the services provided	0	0	160	160
Change in the risk adjustment for non-financial risk expired	0	6	0	6
Experience adjustments	1,055	0	0	1,055
	1,055	6	160	1,221
Changes that relate to future service				
Changes in estimates that adjust the CSM	472	15	(486)	1
Changes in estimates that result in onerous contract losses or reversal of losses	0	0	0	0
Contracts initially recognised in the period	0	0	0	0
	472	15	(486)	1
Changes that relate to past service				
Changes that relate to past service - adjustments to the UIC	(4,012)	(3)	0	(4,015)
Reinsurance Service Result	(2,485)	18	(326)	(2,793)
Finance income (expenses) from reinsurance contracts issued	(395)	(1)	(21)	(417)
Total amounts recognised in comprehensive income	(2,880)	17	(347)	(3,210)
Cash flows				
Claims recovered and commissions received	158	0	0	158
Premiums paid	(2,763)	0	0	(2,763)
Total cash flows	(2,605)	0	0	(2,605)
Net closing balance	1,859	(160)	(3,409)	(1,710)
Closing Reinsurance Contract Liabilities	0	0	0	0
Closing Reinsurance Contract Assets	1,859	(160)	(3,409)	(1,710)
Net closing balance	1,859	(160)	(3,409)	(1,710)

12. FINANCIAL ASSETS (INVESTMENTS)

Investments are classified as follows:

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Shareholders' operations			
Financial assets at FVTPL	252,807	339,434	40,000
Financial assets at FVOCI	216,554	205,079	199,402
Financial assets at amortised cost	140,309	131,201	122,116
Impairment allowance on financial assets at amortised cost	(245)	(62)	(45)
Total	609,425	675,652	361,473

12.1 Insurance operations

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Movement in Financial assets at FVTPL			
Balance at start of the period	0	0	0
Acquired through business combination	0	21,890	0
Purchases	0	0	0
Disposals	0	(21,971)	0
Unrealised gain during the period	0	81	0
Balance at end of the period	0	0	0

12.2 Shareholders' operations (Financial assets at fair value)

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Movement in Financial assets at FVTPL			
Balance at start of the period	339,434	40,000	0
Acquired through business combination	0	248,798	0
Purchases	30,000	41,667	40,000
Disposals	(124,149)	2,295	0
Realised gain during the period	35	0	0
Unrealised gain during the period	7,487	6,674	0
Balance at end of the period	252,807	339,434	40,000

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Movement in Financial assets at FVOCI			
Investments at cost	165,802	163,302	141,635
Cumulative unrealised gains	39,277	36,100	(2,426)
Total balance at start	205,079	199,402	139,209
Purchases at cost	62,500	65,000	130,000
Disposals at cost	(60,000)	(62,500)	(108,333)
Net movement at cost	2,500	2,500	21,667
Net change in fair value of investments	13,061	5,783	16,596
Net realised amounts transferred to retained earnings	(4,086)	(5,276)	(13,180)
Net change in unrealised fair value of investments	8,975	507	3,416
Investments at cost	168,302	165,802	163,302
Cumulative unrealised gains	48,252	39,277	36,100
Balance at end of the period	216,554	205,079	199,402
Financial assets at fair value	469,361	544,513	239,402

12.3 Shareholders' operations (Financial assets at amortised cost - net)

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Movement in Financial assets at amortised cost			
Balance at start of the period	131,139	122,071	107,346
Acquired through business combination	0	0	0
Purchases	8,666	9,533	45,000
Disposals	(250)	(1,000)	(31,000)
Accrued commission income	692	553	770
Net impairment loss on financial assets	(183)	(18)	(45)
Balance at end of the period	140,064	131,139	122,071

12.4 Fair Values of Financial Instruments

Determination of fair value

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between knowledgeable and willing market participants at the measurement date.

Underlying the definition of fair value is a presumption that the enterprise is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms and 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 advantageous accessible market for the asset or liability.

The fair value of financial instruments is based where possible on quoted prices for marketable securities. The fair value of commission bearing items is estimated based on discounted cash flows using commission rates for items with similar terms and risk characteristics.

For financial instruments where there is no active market, fair value is determined by reference to the market value of similar financial instruments or where this cannot be determined, they are calculated using a variety of valuation techniques. The assumptions are taken from observable market data where possible and where this is not possible judgment is relied upon to establish fair values.

Fair value hierarchy

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.

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

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and 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 liabilities not measured at fair value if the carrying amount is a reasonable approximation to fair value.

	Level 1	Level 2	Level 3	Carrying Value
Fair Value Through Other Comprehensive Income	97,303	0	119,251	216,554
Fair Value Through Profit and Loss	30,167	0	222,640	252,807
Total 30 September 2023	127,470	0	341,891	469,361
Fair Value Through Other Comprehensive Income	88,311	0	116,768	205,079
Fair Value Through Profit and Loss	22,006	0	317,428	339,434
Total 31 December 2022 – Restated	110,317	0	434,196	544,513
Fair Value Through Other Comprehensive Income	78,300	0	121,102	199,402
Fair Value Through Profit and Loss	0	0	40,000	40,000
Total 01 January 2022 – Restated	78,300	0	161,102	239,402

There were no transfers or reclassifications between or within levels during the three and nine month periods ended 30 September 2023 (31 December 2022: None).

13. INSURANCE REVENUE AND EXPENSES

An analysis of insurance revenue, insurance expenses and net expenses from reinsurance contracts held by product line for the three and nine month periods ended 30 September 2023 is included in the following tables. Additional information on amounts recognized in statement of income and OCI is included in the insurance contract balances.

	Three months to		Year to date to	
	30 Sep 2023	Restated 30 Sep 2022	30 Sep 2023	Restated 30 Sep 2022
Insurance Revenue				
<u>Contracts not measured under the PAA</u>				
Amounts relating to the changes in the LRC:				
Expected incurred claims and other expenses after loss component allocation	(3,868)	241	4,730	6,900
Experience Adjustments (Prem and Acq Costs not through CSM)	0	0	0	0
Changes in the risk adjustment for non-financial risk for the risk expired after loss component allocation	108	40	330	131
CSM recognised in profit or loss for the services provided	1,209	332	2,464	1,482
Insurance acquisition cash flows recovery	123	206	421	391
Insurance revenue from contracts not measured under the PAA	(2,428)	819	7,945	8,904
Insurance revenue from contracts measured under the PAA	293,092	236,756	817,930	658,075
Total Insurance Revenue	290,664	237,575	825,875	666,979
Insurance Service Expenses				
Incurred claims and other directly attributable expenses	(289,943)	(202,099)	(875,106)	(569,116)
Changes that relate to past service - adjustments to the LIC	33,846	20,543	181,191	64,613
Losses on onerous contracts and reversal of the losses	80	(3,685)	8,720	(18,263)
Insurance acquisition cash flows amortisation	(18,998)	(21,229)	(53,665)	(63,315)
Total Insurance Service Expenses	(275,015)	(206,470)	(738,860)	(586,081)
Net Income (expenses) from Reinsurance Contracts held				
<u>Reinsurance income (expenses) - contracts not measured under the PAA</u>				
Amounts relating to changes in the remaining coverage:				
Expected claims and other expenses recovery	(455)	(488)	(1,314)	(1,184)
Changes in the risk adjustment recognised for the risk expired	(2)	(1)	(7)	(4)
CSM recognised for the services received	(27)	(23)	(102)	(75)
Reinsurance income (expenses) - contracts not measured under the PAA	(484)	(512)	(1,423)	(1,263)
Reinsurance income (expenses) - contracts measured under the PAA	(82,075)	(79,512)	(240,990)	(232,608)
Other incurred directly attributable expenses	0	0	0	0
Claims recovered	49,365	20,935	112,719	118,022
Movement in Loss Recovery Component adjustment to Reinsurance CSM/ARC (PAA)	(4)	274	(3,382)	3,639
Changes that relate to past service - adjustments to incurred claims	10,679	30,872	66,278	19,221
Total net income (expenses) from reinsurance contracts held	(22,519)	(27,943)	(66,798)	(92,989)
Total Insurance Service Result	(6,870)	3,162	20,217	(12,091)

14. INSURANCE FINANCE EXPENSE

An analysis of the net insurance finance expenses is presented below:

	Three months to		Year to date to	
	30 Sep 2023	Restated 30 Sep 2022	30 Sep 2023	Restated 30 Sep 2022
Finance income (expenses) from insurance contracts issued				
Change in the value of underlying assets of contracts measured under the VFA	(5,636)	(19,778)	46,732	(62,279)
Interest accreted	5,635	19,778	(46,734)	62,279
Effect of changes in interest rates and other financial assumptions	0	0	0	0
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	0	0	0	0
Foreign exchange differences	0	0	0	0
Finance income (expenses) from insurance contracts issued	(1)	0	(2)	0
Finance income (expenses) from reinsurance contracts held				
Interest accreted	(33)	(3)	(108)	16
Effect of changes in interest rates and other financial assumptions	(3)	(6)	(2)	(29)
Change of risk of non-performance of reinsurer	0	1	0	(24)
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	(636)	104	(637)	510
Finance income (expenses) from reinsurance contracts held	(672)	96	(747)	473
Net insurance finance income (expenses)	(673)	96	(749)	473

15. PROVISION FOR ZAKAT AND INCOME TAX

Zakat and income tax have been provided in accordance with regulations currently in force in Saudi Arabia.

The temporary and permanent differences between financial and adjusted taxable results are mainly due to adjustments to depreciation, provisions and other items in accordance with the income tax regulations. Deferred tax arising out of these differences is not significant and accordingly was not provided for.

Zakat is calculated on Saudi shareholders' share of adjusted equity subject to a minimum base equal to the relevant share of adjusted net profit. Foreign shareholders are subject to income tax calculated on the relevant share of adjusted net profit.

	30 Sep 2023	31 Dec 2022	01 Jan 2022
Percentages applicable to zakat and income tax			
Shareholding percentage subject to zakat	99%	92%	94%
Shareholding percentage subject to income tax	1%	8%	6%
Movement on zakat account			
Balance at the start of year	49,895	39,216	36,483
Acquired through business combination	0	9,928	0
Provided	15,124	18,492	9,713
Paid / Adjustment	(17,753)	(17,741)	(6,980)
Balance at the end of year	47,266	49,895	39,216
Movement on income tax account			
Balance at the start of year	819	1,500	1,752
Provided	293	139	741
Paid	(961)	(820)	(993)
Balance at the end of year	151	819	1,500

Status of assessments

The Company has filed zakat and income tax returns for the period from incorporation to 31 December 2008 and for each of the years ended 31 December 2009 to 31 December 2022.

The returns filed covering periods to 31 December 2014 and 31 December 2020 have been agreed and finalized with Zakat, Tax and Customs Authority (ZATCA) and zakat and income tax liabilities arising thereon have been discharged in full. Final assessments are awaited for the remaining outstanding years.

2014 & prior	Settled and finalized
2016 to 2019	On going assessment with GSTC
2020	Settled and closed
2021 to 2022	On going audit by ZATCA

16. SHARE CAPITAL

The Board of Directors resolved in their meeting held on 12 January 2021 to increase the share capital subject to receiving the required approvals of the relevant authorities and thereafter the approval of shareholders.

The resolution provided for a share capital increase from 300,000 to 400,000 by issuing one bonus share for every three shares held thereby increasing the number of shares in issue from 30,000,000 shares to 40,000,000 shares with the additional 100,000 share capital generated by capitalising 80,000 from retained earnings and 20,000 from statutory reserve.

Approval was received from the Saudi Central Bank (SAMA) and the Capital Market Authority (CMA) on 08 April 2021 and 06 May 2021, respectively. Approval from shareholders was obtained in the general assembly meeting held on 09 June 2021 and the bonus shares were issued on 10 June 2021. The total transaction costs relating to the bonus share issue amounted to 35.

The shareholders of the Company in their Extraordinary General Assembly meeting ("EGAM") held on 09 December 2021 (corresponding to 05 Jumada Al Oula 1443) approved increasing share capital to acquire Al Ahli Takaful Company. The Company has announced the effectiveness of the merger of ATC into the Company on 12 January 2022 (corresponding to 09 Jumada Al-Thani 1443) after satisfying the Merger conditions agreed between the two companies in the Merger agreement and set out in the Shareholder Circular and the Offer Document issued by the Company with respect to the Merger, including the expiry of the creditors' objection period with no outstanding or unsettled objections. The merger resulted in the increase of the paid-up capital from 400,000 to 638,525.

17. STATUTORY RESERVE

In compliance with the Cooperative Insurance Law, the Implementing Regulations and the By-Laws, 20% of shareholders' net profit (as defined below) is transferred to statutory reserve at the end of each financial year until the statutory reserve amounts to 100% of the paid capital.

In calculating Statutory Reserve, shareholders' net profit is stated after deducting zakat and income tax charges and excludes unrealised investment gain.

The Statutory Reserve is not available for distribution but it may be converted to share capital in funding a bonus share issue.

18. EARNINGS PER SHARE

Earnings per share is calculated by dividing shareholders' net profit (as defined below) by the weighted average number of issued shares during the period.

In calculating earnings per share, shareholders' net profit is stated after deducting zakat and income tax charges and excludes unrealised investment gains.

Earnings per share is calculated based on the revised number of shares following the business combination share issue on 12 January 2022. The weighted average number of issued shares in 30 September 2023 is 63,852,462 (30 September 2022: 63,852,462).

As there are no dilutive effects, basic and diluted SAR earnings per share are the same.

19. CAPITAL MANAGEMENT

Objectives are set by the Company to optimise the structure and sources of capital and maintain healthy capital ratios to support its business objectives and consistently maximise returns to shareholders and policyholders.

The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels on a regular basis and taking appropriate actions to influence the capital position of the Company in the light of changes in economic conditions and risk characteristics.

The primary source of capital used by the Company is equity shareholders' funds. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The Company manages its capital to ensure that it is able to continue as going concern and comply with the regulators' capital requirements of the markets in which the Company operates while maximising the return to stakeholders. The capital structure of the Company consists of equity attributable to equity holders comprising paid share capital, statutory reserves, retained earnings and fair value reserve on investments.

The Implementing Regulations detail a minimum solvency margin requirement calculated as the highest of the following:

- Minimum net assets of 100,000 – calculated after adjusting for admissibility factors
- Premium solvency margin calculation
- Claims solvency margin calculation

The Company is in compliance with all externally imposed capital requirements. The capital structure of the Company as shown in the statement of interim condensed financial position as at 30 September 2023 totals 1,227,111 consisting of paid-up share capital 638,525, share premium 355,879, statutory reserves 31,681, retained earnings 154,192, fair value reserve gain on investments 48,252 and re-measurement reserve for end of service indemnities (1,418). 31 December 2022 totals 1,185,172 consisting of paid-up share capital 638,525, share premium 355,879, statutory reserves 31,681, retained earnings 121,228, fair value reserve gain on investments 39,277 and re-measurement reserve for end of service indemnities (1,418). 01 January 2022 totals 554,918 consisting of paid-up share capital 400,000, statutory reserves 26,097, retained earnings 95,481, fair value reserve gain on investments 36,100 and re-measurement reserve for end of service indemnities (2,760).

In the opinion of the Board of Directors, the Company has fully complied with all externally imposed capital requirements during the reported financial period.

20. RELATED PARTY TRANSACTIONS AND BALANCES

Definitions and explanations

Related parties represent shareholders, both individual and corporate, directors, members of the audit, executive, investment, risk and nomination and remuneration committees, the board secretary, key executives and entities controlled (including jointly controlled) or significantly influenced by such parties. The immediate families of the above are related parties.

All transactions with related parties are made on an arm's length basis and no conflicts or potential conflicts of interest were identified during the three and nine month periods ended 30 September 2023 and 2022. Amounts due to related parties do not include amounts provided for outstanding claims under processing or IBNR. Balances due to or from related parties are unsecured, interest free and are settled in cash and no guarantees have been made or received in relation to any related party transaction or balance.

The following are the details of the major related party transactions during the period and the related balances.

Salaries and Allowances of Key Executives and Board Secretary

Salaries and Allowances encompass all elements of compensation including provision for end-of-service benefit.

Salaries and Allowances	Three months to		Year to date to	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
Provided and paid for key executives	1,503	1,547	5,477	5,462

Transactions with and amounts due to and from related parties

Transactions with related parties	Restated		Restated	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
Gross written premiums from related parties				
Shareholders	69,850	60,386	222,666	179,604
Committees, board secretary and key executives	0	0	0	11
Entities controlled or significantly influenced	1,792	9,036	234,156	209,638
Ceded written premiums to related parties				
Entities controlled or significantly influenced	55	23	181	128
Commissions from related parties				
Entities controlled or significantly influenced	24	3	47	13
Commissions to related parties				
Entities controlled or significantly influenced	0	0	0	0
Gross claims paid by related parties				
Shareholders	73,023	(7,030)	216,614	70
Entities controlled or significantly influenced	48,006	38,264	125,973	99,432
Ceded claims paid to related parties				
Entities controlled or significantly influenced	0	0	0	3
Investment assets				
Entities controlled or significantly influenced	(12,389)	(57,418)	548,703	567,076
Investment assets fees (Rebate)				
Entities controlled or significantly influenced	746	1,008	2,524	3,322
Investment portfolio - Shareholders				
Entities controlled or significantly influenced	2,164	2,202	156,426	269,115
Investment portfolio income - Shareholders				
Entities controlled or significantly influenced	2,164	2,278	7,601	4,041
Marketing agency commission				
Entities controlled or significantly influenced	34	0	34	0

Amounts due to and from related parties	Restated	
	30 Sep 2023	31 Dec 2022
Amounts due from related parties		
Shareholders	34,075	12,927
Entities controlled or significantly influenced	34,504	11,770
Total due from related parties, net	68,579	24,697
Amounts due to related parties		
Shareholders	0	0
Entities controlled or significantly influenced	1,292	1,994
Total due to related parties	1,292	1,994

21. SEGMENT REPORTING

Segment reporting is not undertaken for shareholders' operations, assets and liabilities.

Insurance operations – geographic segments:

The Company has since incorporation operated primarily in Saudi Arabia.

Insurance operations – operating segments:

Operating segments are identified on the basis of internal reports concerning 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 segments and assess performance.

Transactions between operating segments are on normal commercial terms and conditions.

The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the statement of income.

Unallocated assets not subject to segmentation are cash and cash equivalents, short term fixed income deposits, investments, prepaid expenses and other assets, property and equipment – net, intangible assets – net, goodwill, statutory deposits and accrued income on statutory deposits.

Unallocated liabilities not subject to segmentation are accrued and other liabilities, end-of-service indemnities, policyholders' surplus distribution payable, zakat, income tax and accrued commission income payable to SAMA.

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

The segment information provided to the Company's Board of Directors for the reportable segments for the Company's total assets and liabilities at 30 September 2023, 31 December 2022 and 1 January 2022 and for its total revenues, expenses and net income for the three and nine month periods then ended are as follows:

Operating segments 30 September 2023	Motor	Medical	Property & Casualty	Protection & Savings	Total Insurance Operations	Total Shareholders' Operations	Total
ASSETS							
Allocated assets:							
Insurance linked investments	0	0	0	548,703	548,703	0	548,703
Insurance contract assets	0	0	0	45	45	0	45
Reinsurance contract assets	55,296	0	44,672	131,723	231,691	0	231,691
Total allocated assets	55,296	0	44,672	680,471	780,439	0	780,439
Unallocated assets:							
Cash and cash equivalents					246,497	325	246,822
Short term fixed income deposits					126,498	227,243	353,741
Financial assets at amortised cost - net					0	140,064	140,064
Financial assets at fair value					0	469,361	469,361
Prepaid expenses and other assets					40,968	3,676	44,644
Property and equipment - net					4,920	0	4,920
Intangible assets - net					13,921	29,434	43,355
Goodwill					0	364,948	364,948
Statutory deposit					0	63,852	63,852
Accrued income on statutory deposit					0	2,347	2,347
Total unallocated assets					432,804	1,301,250	1,734,054
TOTAL ASSETS					1,213,243	1,301,250	2,514,493
LIABILITIES							
Allocated liabilities:							
Insurance contract liabilities	179,526	208,622	60,908	667,289	1,116,345	0	1,116,345
Reinsurance contract liabilities	124	0	0	7	131	0	131
Total allocated liabilities	179,650	208,622	60,908	667,296	1,116,476	0	1,116,476
Unallocated liabilities:							
Accrued expenses and other liabilities					75,850	3,111	78,961
Provision for employees end of service benefits					12,704	0	12,704
Policyholders' surplus distribution payable					29,477	0	29,477
Zakat payable					0	47,266	47,266
Income tax payable					0	151	151
Accrued commission income payable to SAMA					0	2,347	2,347
Total unallocated liabilities					118,031	52,875	170,906
TOTAL LIABILITIES					1,234,507	52,875	1,287,382

NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2023

ALL AMOUNTS IN SAR '000

Operating segments 31 Dec 2022 – Restated	Motor	Medical	Property & Casualty	Protection & Savings	Total Insurance Operations	Total Shareholders' Operations	Total
ASSETS							
Allocated assets:							
Insurance linked investments	0	0	0	557,968	557,968	0	557,968
Insurance contract assets	0	0	0	266	266	0	266
Reinsurance contract assets	71,430	0	30,131	122,602	224,163	0	224,163
Total allocated assets	71,430	0	30,131	680,836	782,397	0	782,397
Unallocated assets:							
Cash and cash equivalents					106,315	40,418	146,733
Short term fixed income deposits					230,463	116,371	346,834
Financial assets at amortised cost - net					0	131,139	131,139
Financial assets at fair value					0	544,513	544,513
Prepaid expenses and other assets					17,290	7,437	24,727
Property and equipment - net					5,978	0	5,978
Intangible assets - net					12,267	31,444	43,711
Goodwill					0	364,948	364,948
Statutory deposit					0	63,852	63,852
Accrued income on statutory deposit					0	6,781	6,781
Total unallocated assets					372,313	1,306,903	1,679,216
TOTAL ASSETS					1,154,710	1,306,903	2,461,613
LIABILITIES							
Allocated liabilities:							
Insurance contract liabilities	123,036	207,904	40,431	712,977	1,084,348	0	1,084,348
Reinsurance contract liabilities	525	0	364	7	896	0	896
Total allocated liabilities	123,561	207,904	40,795	712,984	1,085,244	0	1,085,244
Unallocated liabilities:							
Accrued expenses and other liabilities					88,984	3,659	92,643
Provision for employees end of service benefits					12,165	0	12,165
Policyholders' surplus distribution payable					28,894	0	28,894
Zakat payable					0	49,895	49,895
Income tax payable					0	819	819
Accrued commission income payable to SAMA					0	6,781	6,781
Total unallocated liabilities					130,043	61,154	191,197
TOTAL LIABILITIES					1,215,287	61,154	1,276,441

Operating segments 01 Jan 2022 – Restated	Motor	Medical	Property & Casualty	Protection & Savings	Total Insurance Operations	Total Shareholders' Operations	Total
ASSETS							
Allocated assets:							
Insurance contract assets	0	0	0	0	0	0	0
Reinsurance contract assets	92,234	0	51,075	5,875	149,184	0	149,184
Total allocated assets	92,234	0	51,075	5,875	149,184	0	149,184
Unallocated assets:							
Cash and cash equivalent					230,946	134,808	365,754
Short term fixed income deposits					0	0	0
Financial assets at amortised cost - net					0	122,071	122,071
Financial assets at fair value					0	239,402	239,402
Prepaid expenses and other assets					9,654	1,212	10,866
Property and equipment - net					2,713	0	2,713
Intangible assets -net					10,667	0	10,667
Goodwill					0	46,794	46,794
Statutory deposit					0	40,000	40,000
Accrued income on statutory deposit					0	3,134	3,134
Total unallocated assets					253,980	587,421	841,401
TOTAL ASSETS					403,164	587,421	990,585
LIABILITIES							
Allocated liabilities:							
Insurance contract liabilities	123,236	110,089	55,659	9,810	298,794	0	298,794
Reinsurance contract liabilities	100	0	0	0	100	0	100
Total allocated liabilities	123,336	110,089	55,659	9,810	298,894	0	298,894
Unallocated liabilities:							
Accrued and other liabilities					75,085	2,511	77,596
End-of-service indemnities					10,207	0	10,207
Policyholders' surplus distribution payable					5,120	0	5,120
Zakat					0	39,216	39,216
Income tax					0	1,500	1,500
Accrued commission income payable to SAMA					0	3,134	3,134
Total unallocated liabilities					90,412	46,361	136,773
TOTAL LIABILITIES					389,306	46,361	435,667

Operating segments	Motor	Medical	Property & Casualty	Protection & Savings	Insurance Operations
For the three month period ended 30 Sep 2023					
Insurance revenue	40,640	135,602	29,200	85,222	290,664
Insurance service expense	(48,786)	(141,621)	(3,970)	(80,638)	(275,015)
INSURANCE SERVICE RESULT BEFORE REINSURANCE CONTRACTS HELD	(8,146)	(6,019)	25,230	4,584	15,649
Allocation of reinsurance premiums	(5,116)	0	(19,768)	(57,675)	(82,559)
Amounts recoverable from reinsurers for incurred claims	968	0	1,116	57,956	60,040
NET INCOME (EXPENSES) FROM REINSURANCE CONTRACTS HELD	(4,148)	0	(18,652)	281	(22,519)
INSURANCE SERVICE RESULTS	(12,294)	(6,019)	6,578	4,865	(6,870)
Commission income on deposits	0	0	0	0	3,418
Net impairment loss on financial assets	0	0	0	0	(22)
Investment income on assets underlying insurance contracts	0	0	0	(5,636)	(5,636)
NET INVESTMENT INCOME	0	0	0	(5,636)	(2,240)
Net finance expenses (income) from insurance contracts issued	0	0	0	(1)	(1)
Net finance expenses (income) from reinsurance contracts held	0	0	0	(672)	(672)
Movement in investment contract liabilities	0	0	0	5,636	5,636
NET INSURANCE FINANCE EXPENSES	0	0	0	4,963	4,963
NET INSURANCE RESULTS	(12,294)	(6,019)	6,578	4,192	(4,147)
Operating and administrative expenses	0	0	0	0	5,139
Depreciation and amortization	0	0	0	0	(123)
TOTAL OTHER OPERATING EXPENSES	0	0	0	0	5,016
NET SURPLUS FROM INSURANCE OPERATIONS					869
Transfer of surplus to Shareholders					(782)
NET RESULT FROM INSURANCE OPERATIONS AFTER TRANSFER OF SURPLUS TO SHAREHOLDERS					87

Operating segments	Motor	Medical	Property & Casualty	Protection & Savings	Insurance Operations
For the period to date to 30 Sep 2023					
Insurance revenue	110,902	390,267	81,247	243,459	825,875
Insurance service expense	(114,844)	(381,462)	(8,365)	(234,189)	(738,860)
INSURANCE SERVICE RESULT BEFORE REINSURANCE CONTRACTS HELD	(3,942)	8,805	72,882	9,270	87,015
Allocation of reinsurance premiums	(20,185)	0	(58,032)	(164,196)	(242,413)
Amounts recoverable from reinsurers for incurred claims	5,404	0	727	169,184	175,615
NET INCOME (EXPENSES) FROM REINSURANCE CONTRACTS HELD	(14,781)	0	(57,305)	5,288	(66,798)
INSURANCE SERVICE RESULTS	(18,723)	8,805	15,577	14,558	20,217
Commission income on deposits					10,677
Net impairment loss on financial assets	0	0	0	0	(22)
Investment income on assets underlying insurance contracts	0	0	0	46,732	46,732
NET INVESTMENT INCOME	0	0	0	46,732	57,387
Net finance expenses (income) from insurance contracts issued	0	0	0	(2)	(2)
Net finance expenses (income) from reinsurance contracts held	0	0	0	(747)	(747)
Movement in investment contract liabilities	0	0	0	(46,732)	(46,732)
NET INSURANCE FINANCE EXPENSES	0	0	0	(47,481)	(47,481)
NET INSURANCE RESULTS	(18,723)	8,805	15,577	13,809	30,123
Operating and administrative expenses	0	0	0	0	(4,673)
Depreciation and amortization	0	0	0	0	(353)
Other finance cost	0	0	0	0	0
TOTAL OTHER OPERATING EXPENSES	0	0	0	0	(5,026)
NET SURPLUS FROM INSURANCE OPERATIONS					25,097
Transfer of surplus to Shareholders					(22,587)
NET RESULT FROM INSURANCE OPERATIONS AFTER TRANSFER OF SURPLUS TO SHAREHOLDERS					2,510

Operating segments					
For the three month period ended 30 Sep 2022	Motor	Medical	Property & Casualty	Protection & Savings	Insurance Operations
Restated					
Insurance revenue	24,590	113,282	25,490	74,213	237,575
Insurance service expense	(29,872)	(104,166)	(4,505)	(67,927)	(206,470)
INSURANCE SERVICE RESULT BEFORE REINSURANCE CONTRACTS HELD	(5,282)	9,116	20,985	6,286	31,105
Allocation of reinsurance premiums	(8,732)	0	(19,418)	(51,874)	(80,024)
Amounts recoverable from reinsurers for incurred claims	4,254	0	688	47,139	52,081
NET INCOME (EXPENSES) FROM REINSURANCE CONTRACTS HELD	(4,478)	0	(18,730)	(4,735)	(27,943)
INSURANCE SERVICE RESULTS	(9,760)	9,116	2,255	1,551	3,162
Commission income on deposits	0	0	0	0	2,880
Net impairment loss on financial assets	0	0	0	0	86
Investment income on assets underlying insurance contracts	0	0	0	(19,778)	(19,778)
NET INVESTMENT INCOME	0	0	0	(19,778)	(16,812)
Net finance expenses (income) from insurance contracts issued	0	0	0	0	0
Net finance expenses (income) from reinsurance contracts held	0	0	0	96	96
Movement in investment contract liabilities	0	0	0	19,778	19,778
NET INSURANCE FINANCE EXPENSES	0	0	0	19,874	19,874
NET INSURANCE RESULTS	(9,760)	9,116	2,255	1,647	6,224
Operating and administrative expenses	0	0	0	0	(1,467)
Depreciation and amortization	0	0	0	0	(70)
Net impairment loss - others	0	0	0	0	0
Other finance cost	0	0	0	0	0
TOTAL OTHER OPERATING EXPENSES	0	0	0	0	(1,537)
NET SURPLUS FROM INSURANCE OPERATIONS					4,687
Transfer of surplus to Shareholders					(3,294)
NET RESULT FROM INSURANCE OPERATIONS AFTER TRANSFER OF SURPLUS TO SHAREHOLDERS					1,393

Operating segments	Motor	Medical	Property & Casualty	Protection & Savings	Insurance Operations
For the period to date to 30 Sep 2022					
Restated					
Insurance revenue	76,220	301,708	77,403	211,648	666,979
Insurance service expense	(89,687)	(324,505)	4,891	(176,780)	(586,081)
INSURANCE SERVICE RESULT BEFORE REINSURANCE CONTRACTS HELD	(13,467)	(22,797)	82,294	34,868	80,898
Allocation of reinsurance premiums	(28,459)	0	(56,985)	(148,427)	(233,871)
Amounts recoverable from reinsurers for incurred claims	28,042	0	(13,510)	126,350	140,882
NET INCOME (EXPENSES) FROM REINSURANCE CONTRACTS HELD	(417)	0	(70,495)	(22,077)	(92,989)
INSURANCE SERVICE RESULTS	(13,884)	(22,797)	11,799	12,791	(12,091)
Commission income on deposits	0	0	0	0	5,308
Realised gain on FVTPL investments	0	0	0	0	81
Net impairment loss on financial assets	0	0	0	0	86
Investment income on assets underlying insurance contracts	0	0	0	(62,279)	(62,279)
NET INVESTMENT INCOME	0	0	0	(62,279)	(56,804)
Net finance expenses (income) from insurance contracts issued	0	0	0	0	0
Net finance expenses (income) from reinsurance contracts held	0	0	0	473	473
Movement in investment contract liabilities	0	0	0	62,279	62,279
NET INSURANCE FINANCE EXPENSES	0	0	0	62,752	62,752
NET INSURANCE RESULTS	(13,884)	(22,797)	11,799	13,264	(6,143)
Operating and administrative expenses	0	0	0	0	(5,153)
Depreciation and amortization	0	0	0	0	(201)
Net impairment loss - others	0	0	0	0	0
Other finance cost	0	0	0	0	0
TOTAL OTHER OPERATING EXPENSES	0	0	0	0	(5,354)
NET SURPLUS FROM INSURANCE OPERATIONS					(11,497)
Transfer of surplus to Shareholders					13,297
NET RESULT FROM INSURANCE OPERATIONS AFTER TRANSFER OF SURPLUS TO SHAREHOLDERS					1,800

22. BREAKDOWN OF GWP IN ACCORDANCE TO SAMA CIRCULAR (170)

For the three month period ended 30 Sep 2023	Motor	Medical	Property & Casualty	Protection & Savings Individual	Group	Total
Gross premiums written:						
• Individuals	27,917	12,725	2,914	38,514	0	82,070
• Very small corporate entities	1,067	3,018	67	0	0	4,152
• Small corporate entities	10,443	9,862	552	0	0	20,857
• Medium corporate entities	2,688	3,243	9,339	0	0	15,270
• Large corporate entities	2,255	45,253	1,225	0	77,076	125,809
GROSS PREMIUMS WRITTEN	44,370	74,101	14,097	38,514	77,076	248,158
Reinsurance premiums ceded – local	(189)	0	(2,181)	0	(25,971)	(28,341)
Reinsurance premiums ceded – foreign	95	0	(9,203)	(798)	(30,531)	(40,437)
Excess of loss expenses	(829)	0	(702)	0	(136)	(1,667)
NET PREMIUMS WRITTEN	43,447	74,101	2,011	37,716	20,438	177,713
For the three month period ended 30 Sep 2022	Motor	Medical	Property & Casualty	Protection & Savings Individual	Group	Total
Gross premiums written:						
• Individuals	10,324	9,166	1,990	35,954	0	57,434
• Very small corporate entities	417	17,498	8	0	0	17,923
• Small corporate entities	1,941	3,644	328	0	(20)	5,893
• Medium corporate entities	1,568	22,809	2,019	0	1	26,397
• Large corporate entities	1,777	44,292	2,613	0	65,538	114,220
GROSS PREMIUMS WRITTEN	16,027	97,409	6,958	35,954	65,519	221,867
Reinsurance premiums ceded – local	(1,763)	0	(712)	0	(24,211)	(26,686)
Reinsurance premiums ceded – foreign	(4,621)	0	(4,353)	(841)	(25,275)	(35,090)
Excess of loss expenses	(340)	0	(493)	0	(94)	(927)
NET PREMIUMS WRITTEN	9,303	97,409	1,400	35,113	15,939	159,164
For the period to date to 30 Sep 2023	Motor	Medical	Property & Casualty	Protection & Savings Individual	Group	Total
Gross premiums written:						
• Individuals	48,258	34,443	7,406	94,605	0	184,712
• Very small corporate entities	5,301	16,405	186	0	0	21,892
• Small corporate entities	33,583	22,528	3,357	0	0	59,468
• Medium corporate entities	17,399	57,037	21,455	0	0	95,891
• Large corporate entities	34,448	217,616	75,884	0	230,652	558,600
GROSS PREMIUMS WRITTEN	138,989	348,029	108,288	94,605	230,652	920,563
Reinsurance premiums ceded – local	(608)	0	(10,999)	0	(77,330)	(88,937)
Reinsurance premiums ceded – foreign	255	0	(81,436)	(1,884)	(89,938)	(173,003)
Excess of loss expenses	(2,599)	0	(2,701)	0	(827)	(6,127)
NET PREMIUMS WRITTEN	136,037	348,029	13,152	92,721	62,557	652,496
For the period to date to 30 Sep 2022	Motor	Medical	Property & Casualty	Protection & Savings Individual	Group	Total
Gross premiums written:						
• Individuals	35,371	35,059	4,704	111,466	0	186,600
• Very small corporate entities	1,177	35,052	145	0	0	36,374
• Small corporate entities	9,273	9,968	1,423	0	(39)	20,625
• Medium corporate entities	11,794	39,362	6,061	0	9	57,226
• Large corporate entities	22,742	206,594	77,725	0	199,368	506,429
GROSS PREMIUMS WRITTEN	80,357	326,035	90,058	111,466	199,338	807,254
Reinsurance premiums ceded – local	(8,219)	0	(6,670)	0	(68,797)	(83,686)
Reinsurance premiums ceded – foreign	(23,875)	0	(74,489)	(1,894)	(80,681)	(180,939)
Excess of loss expenses	(1,019)	0	(1,480)	0	(631)	(3,130)
NET PREMIUMS WRITTEN	47,244	326,035	7,419	109,572	49,229	539,499

23. EXPLANATION TO TRANSITION TO IFRS17, IFRS9 AND OTHER CHANGES

Reconciliation of interim condensed statement of financial position as at 01 January 2022

	01 January 2022 - Restated					
	Pre-adoption of IFRS 17 & IFRS 9	IFRS 17		IFRS 9		Post-adoption of IFRS 17 & IFRS 9
		Reclassification	Remeasurement	Reclassification	Remeasurement	
ASSETS						
Cash and cash equivalents	365,555	0	0	404	(205)	365,754
Premiums and reinsurers' receivable – net	149,465	(149,465)	(8,488)	0	8,488	0
Reinsurers' share of unearned gross premiums	41,373	(41,373)	0	0	0	0
Reinsurers' share of outstanding gross claims	57,553	(57,553)	0	0	0	0
Reinsurers' share of gross claims incurred but not reported	41,599	(41,599)	0	0	0	0
Deferred excess of loss expenses	0	0	0	0	0	0
Deferred policy acquisition costs	10,126	(10,126)	0	0	0	0
Deferred third party administrator expenses	0	0	0	0	0	0
Deferred withholding tax	1,973	(1,973)	0	0	0	0
Deferred regulators' levies	2,199	(2,199)	0	0	0	0
Unit-Linked Investments	0	0	0	0	0	0
Investments	325,638	0	0	(325,638)	0	0
Investment assets	0	0	0	0	0	0
Insurance contract assets	0	138,170	(138,170)	0	0	0
Reinsurance contract assets	0	140,526	8,158	0	500	149,184
Financial assets at amortised cost - net	0	0	0	122,116	(45)	122,071
Financial assets at fair value	0	0	0	204,292	35,110	239,402
Due from related parties – net	12,949	(12,949)	0	0	0	0
Prepaid expenses and other assets	36,884	(24,844)	0	(1,174)	0	10,866
Property and equipment – net	2,713	0	0	0	0	2,713
Intangible assets – net	10,667	0	0	0	0	10,667
Goodwill	46,794	0	0	0	0	46,794
Statutory deposit	40,000	0	0	0	0	40,000
Accrued income on statutory deposit	3,134	0	0	0	0	3,134
TOTAL ASSETS	1,148,622	(63,385)	(138,500)	0	43,848	990,585

	01 January 2022 - Restated					
	Pre-adoption of IFRS 17 & IFRS 9	IFRS 17		IFRS 9		Post-adoption of IFRS 17 & IFRS 9
		Reclassification	Remeasurement	Reclassification	Remeasurement	
LIABILITIES						
Accrued and other liabilities	72,385	5,211	0	0	0	77,596
Reinsurers' balances payable	13,874	(13,874)	0	0	0	0
Unearned gross premiums	189,910	(189,910)	0	0	0	0
Unearned reinsurance commission	8,792	(8,792)	0	0	0	0
Outstanding gross claims	87,531	(87,531)	0	0	0	0
Gross claims incurred but not reported	160,342	(160,342)	0	0	0	0
Premium deficiency reserve	11,250	(11,250)	0	0	0	0
Unit reserves	0	0	0	0	0	0
Other technical reserves	6,700	(6,700)	0	0	0	0
Insurance contract liabilities	0	473,570	(174,776)	0	0	298,794
Reinsurance contract liabilities	0	(13,819)	13,919	0	0	100
Due to related parties	566	(566)	0	0	0	0
Accounts payable	43,864	(43,864)	0	0	0	0
Withholding tax provision	3,863	(3,863)	0	0	0	0
Regulators' levies provision	1,655	(1,655)	0	0	0	0
End-of-service indemnities	10,207	0	0	0	0	10,207
Policyholders' surplus distribution payable	5,120	0	0	0	0	5,120
Zakat	39,216	0	0	0	0	39,216
Income tax	1,500	0	0	0	0	1,500
Accrued commission income payable to SAMA	3,134	0	0	0	0	3,134
TOTAL LIABILITIES	659,909	(63,385)	(160,857)	0	0	435,667
EQUITY						
Share capital	400,000	0	0	0	0	400,000
Share premium	0	0	0	0	0	0
Statutory reserve	26,097	0	0	0	0	26,097
Retained earnings	64,386	0	22,357	0	8,738	95,481
Fair value reserve gain on investments	990	0	0	0	35,110	36,100
TOTAL SHAREHOLDERS' EQUITY	491,473	0	22,357	0	43,848	557,678
Re-measurement reserve for end-of-service indemnities	(2,760)	0	0	0	0	(2,760)
TOTAL EQUITY	488,713	0	22,357	0	43,848	554,918
TOTAL LIABILITIES AND EQUITY	1,148,622	(63,385)	(138,500)	0	43,848	990,585

Reconciliation of interim condensed statement of financial position as at 31 December 2022

	31 December 2022 - Restated					
	Pre-adoption of IFRS 17 & IFRS 9	IFRS 17		IFRS 9		Post-adoption of IFRS 17 & IFRS 9
		Reclassification	Remeasurement	Reclassification	Remeasurement	
ASSETS						
Cash and cash equivalents	146,094	0	0	656	(17)	146,733
Short term fixed income deposits	342,815	0	0	4,070	(51)	346,834
Premiums and reinsurers' receivable – net	182,099	(182,099)	(4,163)	0	4,163	0
Reinsurers' share of unearned gross premiums	43,073	(43,073)	0	0	0	0
Reinsurers' share of outstanding gross claims	149,381	(149,381)	0	0	0	0
Reinsurers' share of gross claims incurred but not reported	63,670	(63,670)	0	0	0	0
Deferred excess of loss expenses	0	0	0	0	0	0
Deferred policy acquisition costs	16,074	(16,074)	0	0	0	0
Deferred third party administrator expenses	0	0	0	0	0	0
Deferred withholding tax	1,458	(1,458)	0	0	0	0
Deferred regulators' levies	0	0	0	0	0	0
Unit-Linked Investments	554,861	(554,861)	0	0	0	0
Investments	636,612	0	(1)	(636,611)	0	0
Investment assets	0	554,861	3,107	0	0	557,968
Insurance contract assets	0	191,926	(191,660)	0	0	266
Reinsurance contract assets	0	256,123	(32,609)	0	649	224,163
Financial assets at amortised cost - net	0	0	0	131,201	(62)	131,139
Financial assets at fair value	0	0	0	506,733	37,780	544,513
Due from related parties – net	21,972	(21,972)	0	0	0	0
Prepaid expenses and other assets	35,256	(4,480)	0	(6,049)	0	24,727
Property and equipment – net	5,978	0	0	0	0	5,978
Intangible assets – net	43,711	0	0	0	0	43,711
Goodwill	364,948	0	0	0	0	364,948
Statutory deposit	63,852	0	0	0	0	63,852
Accrued income on statutory deposit	6,781	0	0	0	0	6,781
TOTAL ASSETS	2,678,635	(34,158)	(225,326)	0	42,462	2,461,613

	31 December 2022 - Restated					
	Pre-adoption of IFRS 17 & IFRS 9	IFRS 17		IFRS 9		Post-adoption of IFRS 17 & IFRS 9
		Reclassification	Remeasurement	Reclassification	Remeasurement	
LIABILITIES						
Accrued and other liabilities	83,523	6,013	3,107	0	0	92,643
Reinsurers' balances payable	40,887	(40,887)	0	0	0	0
Unearned gross premiums	270,374	(270,374)	0	0	0	0
Unearned reinsurance commission	8,601	(8,601)	0	0	0	0
Outstanding gross claims	230,080	(230,080)	0	0	0	0
Gross claims incurred but not reported	214,139	(214,139)	0	0	0	0
Premium deficiency reserve	13,525	(13,525)	0	0	0	0
Unit reserves	557,968	(557,968)	0	0	0	0
Other technical reserves	5,318	(5,318)	0	0	0	0
Insurance contract liabilities	0	1,310,242	(225,894)	0	0	1,084,348
Reinsurance contract liabilities	0	33,259	(32,363)	0	0	896
Due to related parties	1,994	(1,994)	0	0	0	0
Accounts payable	37,834	(37,834)	0	0	0	0
Withholding tax provision	2,952	(2,952)	0	0	0	0
Regulators' levies provision	0	0	0	0	0	0
End-of-service indemnities	12,165	0	0	0	0	12,165
Policyholders' surplus distribution payable	28,894	0	0	0	0	28,894
Zakat	49,895	0	0	0	0	49,895
Income tax	819	0	0	0	0	819
Accrued commission income payable to SAMA	6,781	0	0	0	0	6,781
TOTAL LIABILITIES	1,565,749	(34,158)	(255,150)	0	0	1,276,441
EQUITY						
Share capital	638,525	0	0	0	0	638,525
Share premium	355,879	0	0	0	0	355,879
Statutory reserve	31,681	0	0	0	0	31,681
Retained earnings	86,722	0	29,824	0	4,682	121,228
Fair value reserve gain on investments	1,497	0	0	0	37,780	39,277
TOTAL SHAREHOLDERS' EQUITY	1,114,304	0	29,824	0	42,462	1,186,590
Re-measurement reserve for end-of-service indemnities	(1,418)	0	0	0	0	(1,418)
TOTAL EQUITY	1,112,886	0	29,824	0	42,462	1,185,172
TOTAL LIABILITIES AND EQUITY	2,678,635	(34,158)	(225,326)	0	42,462	2,461,613

Reconciliation of interim condensed statement of income for the period ended 30 September 2022

	30 September 2022 - Restated					
	Pre-adoption of IFRS 17 & IFRS 9	IFRS 17		IFRS 9		Post-adoption of IFRS 17 & IFRS 9
		Reclassification	Remeasurement	Reclassification	Remeasurement	
REVENUES						
Gross premiums written	807,254	(807,254)	0	0	0	0
Reinsurance premiums ceded – local	(83,686)	83,686	0	0	0	0
Reinsurance premiums ceded – foreign	(180,939)	180,939	0	0	0	0
Excess of loss expenses	(3,130)	3,130	0	0	0	0
Net premiums written	539,499	(539,499)	0	0	0	0
Change in unearned gross premiums	(58,580)	58,580	0	0	0	0
Change in reinsurers' share of unearned gross premiums	10,294	(10,294)	0	0	0	0
Net premiums earned	491,213	(491,213)	0	0	0	0
Reinsurance commissions	25,608	(25,608)	0	0	0	0
Other underwriting income	21,181	(21,181)	0	0	0	0
TOTAL REVENUES	538,002	(538,002)	0	0	0	0
Insurance revenue	0	541,327	128,977	0	(3,325)	666,979
Insurance service expense	0	(462,218)	(123,863)	0	0	(586,081)
INSURANCE SERVICE RESULT BEFORE REINSURANCE CONTRACTS HELD	0	79,109	5,114	0	(3,325)	80,898
Allocation of reinsurance premiums	0	(233,746)	0	0	(125)	(233,871)
Amounts recoverable from reinsurers for incurred claims	0	140,882	0	0	0	140,882
NET INCOME (EXPENSES) FROM REINSURANCE CONTRACTS HELD	0	(92,864)	0	0	(125)	(92,989)
INSURANCE SERVICE RESULTS	0	(13,755)	5,114	0	(3,450)	(12,091)

	30 September 2022 - Restated					
	Pre-adoption of IFRS 17 & IFRS 9	IFRS 17		IFRS 9		Post-adoption of IFRS 17 & IFRS 9
		Reclassification	Remeasurement	Reclassification	Remeasurement	
UNDERWRITING COSTS AND EXPENSES						
Gross claims paid	(390,403)	390,403	0	0	0	0
Reinsurers' share of claims paid	103,093	(103,093)	0	0	0	0
Net claims paid	(287,310)	287,310	0	0	0	0
Changes in outstanding gross claims	(60,666)	60,666	0	0	0	0
Changes in reinsurers' share of outstanding gross claims	37,676	(37,676)	0	0	0	0
Changes in gross IBNR	(17,317)	17,317	0	0	0	0
Changes in reinsurers' share of gross IBNR	(2,521)	2,521	0	0	0	0
Net claims incurred	(330,138)	330,138	0	0	0	0
Investible Contribution, Net	(87,927)	87,927	0	0	0	0
Premium deficiency reserve	300	(300)	0	0	0	0
Other technical reserves	(1,939)	1,939	0	0	0	0
Policy acquisition costs	(18,202)	18,202	0	0	0	0
Third party administrator expenses	(7,388)	7,388	0	0	0	0
Withholding tax	(6,103)	6,103	0	0	0	0
Regulators' levies	(2,199)	2,199	0	0	0	0
Other underwriting expenses	(8,622)	8,622	0	0	0	0
TOTAL UNDERWRITING COSTS AND EXPENSES	(462,218)	462,218	0	0	0	0
NET UNDERWRITING INCOME	75,784	(89,539)	5,114	0	(3,450)	(12,091)
Unrealised gain on Financial assets at FVTPL	0	0	0	3,824	0	3,824
Realised gain on Financial assets at FVTPL	0	0	0	297	0	297
Realised gain on Financial assets at FVOCI	0	0	0	0	0	0
Net impairment loss on financial assets	0	0	0	0	100	100
Investment income on assets underlying insurance contracts	0	(62,279)	0	0	0	(62,279)
NET INVESTMENT INCOME	0	(62,279)	0	4,121	100	(58,058)
Net finance expenses (income) from reinsurance contracts held	0	473	0	0	0	473
Movement in investment contract liabilities	0	62,279	0	0	0	62,279
NET INSURANCE FINANCE EXPENSES	0	62,752	0	0	0	62,752
Operating and administrative expenses	0	(10,362)	0	0	0	(10,362)
Depreciation and amortization	0	(201)	0	0	0	(201)
TOTAL OTHER OPERATING EXPENSES	0	(10,563)	0	0	0	(10,563)

	30 September 2022 - Restated					
	Pre-adoption of IFRS 17 & IFRS 9	IFRS 17		IFRS 9		Post-adoption of IFRS 17 & IFRS 9
		Reclassification	Remeasurement	Reclassification	Remeasurement	
OTHER OPERATING INCOME / (EXPENSES)						
Reversal of / (allowance for) doubtful debts	(2,584)	0	0	0	2,584	0
General and administrative expenses	(62,066)	62,066	0	0	0	0
Depreciation and amortization	(4,451)	4,451	0	0	0	0
Profit on deposits	6,286	0	0	0	0	6,286
Profit on sukuk	4,840	0	0	(627)	0	4,213
Dividend income	8,723	0	0	627	0	9,350
Unrealised gain on FVIS investments	3,824	0	0	(3,824)	0	0
Realised gain on FVIS investments	297	0	0	(297)	0	0
Realised gain on Available for Sale investments	4,290	0	0	(4,290)	0	0
TOTAL OTHER OPERATING INCOME / (EXPENSES)	(40,841)	66,517	0	(8,411)	2,584	19,849
INCOME BEFORE SURPLUS, ZAKAT AND INCOME TAX	34,943	(33,112)	5,114	(4,290)	(766)	1,889
Attributable to Insurance Operations	(1,800)	0	0	0	0	(1,800)
SHAREHOLDERS' INCOME BEFORE ZAKAT AND INCOME TAX	33,143	(33,112)	5,114	(4,290)	(766)	89
Zakat charge	(13,874)	0	0	0	0	(13,874)
Income tax charge	(261)	0	0	0	0	(261)
SHAREHOLDERS' INCOME AFTER ZAKAT AND INCOME TAX	19,008	(33,112)	5,114	(4,290)	(766)	(14,046)

Reconciliation of interim condensed statement of comprehensive income for the period ended 30 September 2022

	30 September 2022 - Restated					
	Pre-adoption of IFRS 17 & IFRS 9	IFRS 17		IFRS 9		Post-adoption of IFRS 17 & IFRS 9
		Reclassification	Remeasurement	Reclassification	Remeasurement	
Shareholders' income after zakat and income tax	19,008	(33,112)	5,114	(4,290)	(766)	(14,046)
Other comprehensive income / (loss)						
<i>Items that are or may be reclassified to statements of income in subsequent years:</i>						
Available for sale investments:						
Net change in fair value of investments	6,447	0	0	(6,447)	0	0
Realised gains transferred to statement of income	(4,290)	0	0	4,290	0	0
Net change in unrealised fair value of investments	2,157	0	0	(2,157)	0	0
FVOCI Investments:						
Net changes in fair value of investments measured at FVOCI – debt instruments	0	0	0	4,924	0	4,924
Net changes in fair value of investments measured at FVOCI – equity instruments	0	0	0	1,523	0	1,523
COMPREHENSIVE INCOME FOR THE PERIOD	21,165	(33,112)	5,114	0	(766)	(7,599)

0

Effect of initial application

a) Classification and measurement of financial assets under IFRS 9

Particulars	Classification	IAS 39		Classification	IFRS 9	
		31 Dec 2022	01 Jan 2022		31 Dec 2022	01 Jan 2022
Cash and cash equivalents	Amortised cost	146,094	365,555	Amortised cost	146,733	365,754
Short term fixed income deposits	Held to maturity	342,815	0	Amortised cost	346,834	0
Investments:						
Sukuks	Available for Sale	129,878	121,346	Amortised cost	131,139	122,071
Sukuks	Available for Sale	50,000	35,000	FVOCI	50,000	35,000
Funds	Available for Sale	77,064	84,069	FVOCI	77,064	84,069
Equity	Available for Sale	78,015	80,333	FVOCI	78,015	80,333
Funds	Available for Sale	339,434	40,000	FVTPL	339,434	40,000

b) Impact on retained earnings on transition to IFRS 9 at January 01, 2022

Expected credit loss allowance on financial instruments	8,738
	<u>8,738</u>

c) Impact on retained earnings on transition to IFRS 17 at January 01, 2022

Risk Adjustment – net of RI share	(3,137)
Loss Component – net of RI share	(8,903)
Discontinued IBNR Reserve – net of RI share (over-provisioned)	25,749
Discontinued Other Technical Reserves (from IFRS 4 – no longer required)	11,250
Other drivers	(2,602)
	<u>22,357</u>

24. COMMITMENTS AND CONTINGENCIES

The Company's commitments and contingencies are as follows:

	30 Sep 2023	Restated 31 Dec 2022	Restated 01 Jan 2022
Letters of guarantee	800	801	1,000
Capital and other commitments	2,041	295	1,884
Total	2,841	1,096	2,884

The Company is subject to legal proceedings in the ordinary course of business.

At 30 September 2023 there were no other commitments, contingencies or outstanding legal proceedings or disputes of a material nature.

25. SIGNIFICANT EVENT

Arabian Shield Cooperative Insurance Company (the "Company" or "ASCIC") announces the signing of a non-binding Memorandum of Understanding (the "MOU") with Ailinma Tokio Marine Insurance Company (the "ATMC") on 13 December 2022 (corresponding to 19 Jumada Al-Ula 1444) to evaluate a potential merger between the two companies.

The Company signed a binding merger agreement with ATMC on 14 June 2023 (corresponding to 25 Dhu al-Qa'dah 1444) reflecting the agreement of both companies to merge through a share swap transaction, whereby ASCIC shall issue 0.53209443333333330000 ordinary shares in ASCIC against each issued share in ATMC ("Exchange Ratio"), to the benefit of the entitled shareholders in ATMC as consideration for the transfer of assets and liabilities of ATMC to ASCIC and without any cash consideration being paid ("Merger Transaction" or "Transaction" or "Merger").

The Company announced the effectiveness of the Merger of ATMC into the Company on 25 October 2023 (corresponding to 10 Rabi Al Thani 1445) after satisfying the Merger conditions agreed between the two companies in the Merger agreement and set out in the Shareholder Circular and the Offer Document issued by the Company with respect to the Merger, including the expiry of the creditors' objection period with no outstanding or unsettled objections and approving the transaction by the two companies in the Extraordinary General Assemblies.

From the Merger's effective day, the rights, liabilities, assets, and contracts of ATMC shall be transferred to the merging entity, and the merging entity shall become the legal successor of ATMC.

ASCIC will increase its share capital by issuing fifteen million nine hundred sixty-two thousand eight hundred thirty-three (15,962,833) new ordinary shares with a nominal value of ten (10) Saudi Riyals per share (the "New Shares") to ATMC's entitled shareholders based on the Exchange Ratio. The value of ASCIC's share capital will accordingly become seven hundred ninety-eight million one hundred fifty-two thousand nine hundred fifty (798,152,950) Saudi Riyals divided into seventy-nine million eight hundred fifteen thousand two hundred ninety-five (79,815,295) ordinary shares.

The formalities to update the legal documents are under process.

26. POLICYHOLDERS' SURPLUS DISTRIBUTION PAYABLE

	30 Sep 2023	31 Dec 2022	01 Jan 2022
Balance at the start of year	28,894	5,120	4,570
Acquired through business combination	0	22,570	0
Surplus provided during the period	2,510	2,881	2,869
Surplus distributed during the period	(1,927)	(1,677)	(2,319)
Balance at the end of the period	29,477	28,894	5,120

27. COMPARATIVE FIGURES

Certain prior period amounts or balances may have been reclassified to conform with the current presentation.

28. BOARD OF DIRECTORS' APPROVAL

The interim condensed financial statements were approved by the Company's Board of Directors on 01 November 2023 (corresponding to Rabi Al Thani 17, 1445).

29. SUPPLEMENTARY INFORMATION

UNAUDITED INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION	30 Sep 2023			Restated 31 Dec 2022			Restated 01 Jan 2022		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
ASSETS									
Cash and cash equivalents	246,497	325	246,822	106,315	40,418	146,733	230,947	134,807	365,754
Short term fixed income deposits	126,498	227,243	353,741	230,463	116,371	346,834	0	0	0
Insurance linked investments	548,703	0	548,703	557,968	0	557,968	0	0	0
Insurance contract assets	45	0	45	266	0	266	0	0	0
Reinsurance contract assets	231,691	0	231,691	224,163	0	224,163	149,184	0	149,184
Financial assets at amortised cost - net	0	140,064	140,064	0	131,139	131,139	0	122,071	122,071
Financial assets at fair value	0	469,361	469,361	0	544,513	544,513	0	239,402	239,402
Due from insurance / shareholders' operations	19,846	(19,846)	0	59,159	(59,159)	0	(16,619)	16,619	0
Prepaid expenses and other assets	40,968	3,676	44,644	17,290	7,437	24,727	9,654	1,212	10,866
Property and equipment - net	4,920	0	4,920	5,978	0	5,978	2,713	0	2,713
Intangible assets - net	13,921	29,434	43,355	12,267	31,444	43,711	10,667	0	10,667
Goodwill	0	364,948	364,948	0	364,948	364,948	0	46,794	46,794
Statutory deposit	0	63,852	63,852	0	63,852	63,852	0	40,000	40,000
Accrued income on statutory deposit	0	2,347	2,347	0	6,781	6,781	0	3,134	3,134
TOTAL ASSETS	1,233,089	1,281,404	2,514,493	1,213,869	1,247,744	2,461,613	386,546	604,039	990,585
LIABILITIES									
Accrued expenses and other liabilities	75,850	3,111	78,961	88,984	3,659	92,643	75,085	2,511	77,596
Insurance contract liabilities	1,116,345	0	1,116,345	1,084,348	0	1,084,348	298,794	0	298,794
Reinsurance contract liabilities	131	0	131	896	0	896	100	0	100
Provision for employees end of service benefits	12,704	0	12,704	12,165	0	12,165	10,207	0	10,207
Policyholders' surplus distribution payable	29,477	0	29,477	28,894	0	28,894	5,120	0	5,120
Zakat payable	0	47,266	47,266	0	49,895	49,895	0	39,216	39,216
Income tax payable	0	151	151	0	819	819	0	1,500	1,500
Accrued commission income payable to SAMA	0	2,347	2,347	0	6,781	6,781	0	3,134	3,134
TOTAL LIABILITIES	1,234,507	52,875	1,287,382	1,215,287	61,154	1,276,441	389,306	46,361	435,667
EQUITY									
Share capital	0	638,525	638,525	0	638,525	638,525	0	400,000	400,000
Share premium	0	355,879	355,879	0	355,879	355,879	0	0	0
Statutory reserve	0	31,681	31,681	0	31,681	31,681	0	26,097	26,097
Retained earnings	0	154,192	154,192	0	121,228	121,228	0	95,481	95,481
Fair value reserve on financial assets	0	48,252	48,252	0	39,277	39,277	0	36,100	36,100
TOTAL SHAREHOLDERS' EQUITY	0	1,228,529	1,228,529	0	1,186,590	1,186,590	0	557,678	557,678
Re-measurement reserve for end-of-service indemnities	(1,418)	0	(1,418)	(1,418)	0	(1,418)	(2,760)	0	(2,760)
TOTAL EQUITY	(1,418)	1,228,529	1,227,111	(1,418)	1,186,590	1,185,172	(2,760)	557,678	554,918
TOTAL LIABILITIES AND EQUITY	1,233,089	1,281,404	2,514,493	1,213,869	1,247,744	2,461,613	386,546	604,039	990,585

UNAUDITED INTERIM CONDENSED STATEMENTS OF INCOME	Three months to			Three months to		
	(Unaudited) 30 Sep 2023			Restated (Unaudited) 30 Sep 2022		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
Insurance revenue	290,664	0	290,664	237,575	0	237,575
Insurance service expense	(275,015)	0	(275,015)	(206,470)	0	(206,470)
INSURANCE SERVICE RESULT BEFORE REINSURANCE CONTRACTS HELD	15,649	0	15,649	31,105	0	31,105
Allocation of reinsurance premiums	(82,559)	0	(82,559)	(80,024)	0	(80,024)
Amounts recoverable from reinsurers for incurred claims	60,040	0	60,040	52,081	0	52,081
NET INCOME (EXPENSES) FROM REINSURANCE CONTRACTS HELD	(22,519)	0	(22,519)	(27,943)	0	(27,943)
INSURANCE SERVICE RESULTS	(6,870)	0	(6,870)	3,162	0	3,162
Commission income on deposits	3,418	3,716	7,134	2,880	509	3,389
Commission income on sukuk	0	2,066	2,066	0	1,338	1,338
Dividend income	0	2,665	2,665	0	2,391	2,391
Unrealised gain on financial assets at FVTPL	0	2,113	2,113	0	2,061	2,061
Realised gain on financial assets at FVTPL	0	0	0	0	178	178
Net impairment loss on financial assets	(22)	72	50	86	(86)	0
Investment income / (loss) on assets underlying insurance contracts	(5,636)	0	(5,636)	(19,778)	0	(19,778)
NET INVESTMENT INCOME	(2,240)	10,632	8,392	(16,812)	6,391	(10,421)
Net finance (expenses) / income from insurance contracts issued	(1)	0	(1)	0	0	0
Net finance (expenses) / income from reinsurance contracts held	(672)	0	(672)	96	0	96
Movement in investment contract liabilities	5,636	0	5,636	19,778	0	19,778
NET INSURANCE FINANCE (EXPENSES) / INCOME	4,963	0	4,963	19,874	0	19,874
NET INSURANCE RESULTS	(4,147)	10,632	6,485	6,224	6,391	12,615
Operating and administrative expenses	5,139	(1,551)	3,588	(1,467)	(2,084)	(3,551)
Depreciation and amortization	(123)	(706)	(829)	(70)	0	(70)
TOTAL OTHER OPERATING EXPENSES	5,016	(2,257)	2,759	(1,537)	(2,084)	(3,621)
INCOME BEFORE SURPLUS, ZAKAT AND INCOME TAX	869	8,375	9,244	4,687	4,307	8,994
Attributable to Insurance Operations	(782)	782	0	(3,294)	3,294	0
INCOME BEFORE ZAKAT AND INCOME TAX	87	9,157	9,244	1,393	7,601	8,994
Zakat charge	0	(5,317)	(5,317)	0	(4,383)	(4,383)
Income tax charge	0	(50)	(50)	0	(77)	(77)
INCOME AFTER ZAKAT AND INCOME TAX	87	3,790	3,877	1,393	3,141	4,534
Basic and diluted SAR earnings per share		0.06			0.05	

STATEMENTS OF COMPREHENSIVE INCOME	Three months to			Three months to		
	(Unaudited)			Restated		
	30 Sep 2023			30 Sep 2022		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
Income after zakat and income tax	87	3,790	3,877	1,393	3,141	4,534
Other comprehensive income / (loss)						
<i>Items that may be reclassified to the interim condensed statement of income in subsequent periods</i>						
Net changes in fair value of investments measured at FVOCI – debt instruments	0	1,622	1,622	0	(2,626)	(2,626)
<i>Items that will not be reclassified to the interim condensed statement of income in subsequent periods</i>						
Net changes in fair value of investments measured at FVOCI – equity instruments	0	1,997	1,997	0	(899)	(899)
Total other comprehensive income / (loss)	0	3,619	3,619	0	(3,525)	(3,525)
COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	87	7,409	7,496	1,393	(384)	1,009

	Period to date to			Period to date to		
	(Unaudited) 30 Sep 2023			Restated (Unaudited) 30 Sep 2022		
UNAUDITED INTERIM CONDENSED STATEMENTS OF INCOME	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
Insurance revenue	825,875	0	825,875	666,979	0	666,979
Insurance service expense	(738,860)	0	(738,860)	(586,081)	0	(586,081)
INSURANCE SERVICE RESULT BEFORE REINSURANCE	87,015	0	87,015	80,898	0	80,898
Allocation of reinsurance premiums	(242,413)	0	(242,413)	(233,871)	0	(233,871)
Amounts recoverable from reinsurers for incurred claims	175,615	0	175,615	140,882	0	140,882
NET INCOME (EXPENSES) FROM REINSURANCE CONTRACTS	(66,798)	0	(66,798)	(92,989)	0	(92,989)
INSURANCE SERVICE RESULTS	20,217	0	20,217	(12,091)	0	(12,091)
Commission income on deposits	10,677	9,377	20,054	5,308	978	6,286
Commission income on sukuk	0	5,258	5,258	0	3,385	3,385
Dividend income	0	7,559	7,559	0	10,178	10,178
Unrealised gain on financial assets at FVTPL	0	7,487	7,487	0	3,824	3,824
Realised gain on financial assets at FVTPL	0	62	62	81	216	297
Net impairment loss on financial assets	(22)	(248)	(270)	86	14	100
Investment income / (loss) on assets underlying insurance contracts	46,732	0	46,732	(62,279)	0	(62,279)
NET INVESTMENT INCOME	57,387	29,495	86,882	(56,804)	18,595	(38,209)
Net finance (expenses) / income from insurance contracts issued	(2)	0	(2)	0	0	0
Net finance (expenses) / income from reinsurance contracts held	(747)	0	(747)	473	0	473
Movement in investment contract liabilities	(46,732)	0	(46,732)	62,279	0	62,279
NET INSURANCE FINANCE (EXPENSES) / INCOME	(47,481)	0	(47,481)	62,752	0	62,752
NET INSURANCE RESULTS	30,123	29,495	59,618	(6,143)	18,595	12,452
Operating and administrative expenses	(4,673)	(5,777)	(10,450)	(5,153)	(5,209)	(10,362)
Depreciation and amortization	(353)	(2,010)	(2,363)	(201)	0	(201)
TOTAL OTHER OPERATING EXPENSES	(5,026)	(7,787)	(12,813)	(5,354)	(5,209)	(10,563)
INCOME / (LOSS) BEFORE SURPLUS, ZAKAT AND INCOME TAX	25,097	21,708	46,805	(11,497)	13,386	1,889
Attributable to Insurance Operations	(22,587)	22,587	0	13,297	(13,297)	0
INCOME / (LOSS) BEFORE ZAKAT AND INCOME TAX	2,510	44,295	46,805	1,800	89	1,889
Zakat charge	0	(15,124)	(15,124)	0	(13,874)	(13,874)
Income tax charge	0	(293)	(293)	0	(261)	(261)
INCOME / (LOSS) AFTER ZAKAT AND INCOME TAX	2,510	28,878	31,388	1,800	(14,046)	(12,246)
Basic and diluted SAR earnings per share		0.45			(0.22)	

	Period to date to			Period to date to		
	(Unaudited) 30 Sep 2023			Restated (Unaudited) 30 Sep 2022		
STATEMENTS OF COMPREHENSIVE INCOME	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
Income / (loss) after zakat and income tax	2,510	28,878	31,388	1,800	(14,046)	(12,246)
Other comprehensive income / (loss)						
<i>Items that may be reclassified to the interim condensed statement of income in subsequent periods</i>						
Net changes in fair value of investments measured at FVOCI – debt instruments	0	2,483	2,483	0	4,924	4,924
<i>Items that will not be reclassified to the interim condensed statement of income in subsequent periods</i>						
Net changes in fair value of investments measured at FVOCI – equity instruments	0	10,578	10,578	0	1,523	1,523
Total other comprehensive income / (loss)	0	13,061	13,061	0	6,447	6,447
COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	2,510	41,939	44,449	1,800	(7,599)	(5,799)

UNAUDITED INTERIM CONDENSED STATEMENTS OF CASH FLOWS	Period to date to			Period to date to		
	(Unaudited) 30 Sep 2023			Restated (Unaudited) 30 Sep 2022		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Income / (loss) before zakat and income tax	2,510	44,295	46,805	1,800	89	1,889
Adjustments for non-cash items:						
Depreciation of property and equipment	1,964	0	1,964	1,773	0	1,773
Amortisation of intangible assets	3,436	2,010	5,446	2,678	0	2,678
Gain on disposal of property and equipment	0	0	0	(82)	0	(82)
Commission income on deposits	(10,677)	(9,377)	(20,054)	(5,308)	(978)	(6,286)
Commission income on sukuk	0	(5,258)	(5,258)	0	(3,385)	(3,385)
Dividend income	0	(7,559)	(7,559)	0	(10,178)	(10,178)
Realised gain on financial assets at FVTPL	0	(35)	(35)	(80)	0	(80)
Unrealised gain on financial assets at FVTPL	0	(7,487)	(7,487)		(3,965)	(3,965)
Allowance for ECL on insurance contract	8,490		8,490	3,450	0	3,450
Provision for end-of-service indemnities	2,704	0	2,704	2,128	0	2,128
Change in fair value of investment assets	(47,574)	0	(47,574)	54,731	0	54,731
Cash in transit (investment assets)	28,862	0	28,862	5,656	0	5,656
Net impairment loss on financial assets	(6)	254	248	41	56	97
Changes in operating assets and liabilities:						
Prepaid expenses and other assets	(23,678)	3,148	(20,530)	(52,901)	(3,376)	(56,277)
Accrued and other liabilities	(13,134)	(548)	(13,682)	(15,516)	(403)	(15,919)
Insurance contract assets	(8,269)	0	(8,269)	16,421	0	16,421
Reinsurance contract assets	(7,528)	0	(7,528)	32,262	0	32,262
Insurance contract liabilities	31,997	0	31,997	(24,322)	45,266	20,944
Reinsurance contract liabilities	(765)	0	(765)	(37,029)	0	(37,029)
Due from insurance / shareholders' operations	39,313	(39,313)	0	4,369	(4,369)	0
Payments:						
End-of-service indemnities paid	(2,165)	0	(2,165)	(2,240)	0	(2,240)
Surplus paid to policyholders	(1,927)	0	(1,927)	0	0	0
Zakat paid	0	(17,753)	(17,753)	0	(17,741)	(17,741)
Income tax paid	0	(961)	(961)	0	(820)	(820)
Net cash generated from / (used in) operating activities	3,553	(38,584)	(35,031)	(12,169)	196	(11,973)
CASH FLOWS FROM INVESTING ACTIVITIES						
Additions of short term fixed income deposits	(100,000)	(190,511)	(290,511)	(324,114)	(115,411)	(439,525)
Proceeds from short term fixed income deposits	202,815	85,511	288,326	25,000	0	25,000
Investment assets	27,977	0	27,977	48,668	0	48,668
Additions to financial assets	0	(101,166)	(101,166)	0	(54,534)	(54,534)
Disposal of financial assets	0	188,485	188,485	21,972	47,540	69,512
Commission income received	11,833	8,000	19,833	4,308	3,108	7,416
Dividend income received	0	8,172	8,172	0	8,797	8,797
Additions of property and equipment	(906)	0	(906)	(1,669)	0	(1,669)
Proceeds from disposal of property and equipment	0	0	0	85	0	85
Additions of intangible assets	(5,090)	0	(5,090)	(1,843)	0	(1,843)
Cash & cash equivalent acquired through business combination	0	0	0	63,463	13	63,476
Increase in Statutory deposit	0	0	0	0	(23,852)	(23,852)
Net cash generated from / (used in) investing activities	136,629	(1,509)	135,120	(164,130)	(134,339)	(298,469)
Net change in cash and cash equivalents	140,182	(40,093)	100,089	(176,299)	(134,143)	(310,442)
Cash and cash equivalents at start of the period	106,315	40,418	146,733	230,947	134,807	365,754
Cash and cash equivalents at end of the period	246,497	325	246,822	54,648	664	55,312
NON-CASH INFORMATION						
Net change in unrealised fair value of financial assets at FVOCI			13,061			6,447