

**ALINMA TOKIO MARINE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED FINANCIAL INFORMATION
AND
INDEPENDENT AUDITORS' REVIEW REPORT**

FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

ALINMA TOKIO MARINE COMPANY
(A SAUDI JOINT STOCK COMPANY)

FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

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**INDEPENDENT AUDITORS' REVIEW REPORT
ON THE INTERIM CONDENSED FINANCIAL INFORMATION**

The Shareholders
Alinma Tokio Marine Company
(A Saudi Joint Stock Company)
Kingdom of Saudi Arabia

Introduction:

We have reviewed the accompanying interim condensed statement of financial position of Alinma Tokio Marine Company (A Saudi Joint Stock Company) (the "Company") as at 30 June 2018 and the related interim condensed statement of income, interim condensed statement of comprehensive income for three and six month periods then ended, interim condensed statement of changes in shareholders' equity and interim condensed statement of cash flows for the six month period then ended, and the related notes which form an integral part of this interim condensed financial information. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) as modified by Saudi Arabian Monetary Authority (SAMA) for the accounting of zakat and income tax. Our responsibility is to express a conclusion on this interim condensed financial information 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 the interim condensed financial information 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 (ISAs), as endorsed in Kingdom of Saudi Arabia and consequently, it 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 information is not prepared, in all material respects, in accordance with IAS 34 as modified by SAMA for accounting of zakat and income tax.

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6 August 2018G
24 Dhul-Qa'dah 1439H



ALINMA TOKIO MARINE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2018	31 December 2017
		(Unaudited)	(Audited)
		SAR' 000	
ASSETS			
Cash and cash equivalents	3	88,244	107,863
Investments	4	53,553	183,497
Premiums and reinsurance receivables, net	5	193,835	126,390
Reinsurers' share of unearned premiums	7.2	57,209	30,297
Reinsurers' share of outstanding claims	7.1	135,276	128,954
Reinsurers' share of claims incurred but not reported	7.1	15,494	18,156
Reinsurers' share of other reserves	7.1	-	905
Deferred policy acquisition costs		13,918	7,529
Prepayments and other assets		15,538	14,746
Due from related parties	12	481	8
Murabaha deposits	6	123,705	-
Statutory deposit	14	45,000	45,000
Property and equipment		9,247	7,111
Unit linked Investments		15,122	8,400
TOTAL ASSETS		766,622	678,856
LIABILITIES			
Outstanding claims	7.1	160,424	142,455
Claims incurred but not reported	7.1	36,459	39,221
Other reserves	7.1	533	1,857
Premium deficiency reserves		836	-
Unearned premiums	7.2	155,356	76,138
Reinsurance balances payable		62,468	61,390
Unearned reinsurance commission		8,327	6,661
Accrued expenses and other liabilities		53,355	50,989
Zakat and income tax payable	8	2,886	5,024
Unit linked liabilities		15,122	8,400
Retirement benefit obligation	9	4,978	4,273
TOTAL LIABILITIES		500,744	396,408
INSURANCE OPERATIONS DEFICIT			
Remeasurement of retirement benefit obligation	9	(533)	(325)
SHAREHOLDERS' EQUITY			
Issued, authorised and paid up share capital	10	300,000	300,000
Accumulated losses		(33,589)	(17,227)
TOTAL SHAREHOLDERS' EQUITY		266,411	282,773
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		766,622	678,856

CONTINGENCIES AND COMMITMENTS

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The accompanying notes 1 to 18 form an integral part of these interim condensed financial information.


Director


Chief Financial Officer



Chief Executive Officer

ALINMA TOKIO MARINE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF INCOME (Unaudited)
For the three months and six months period ended 30 June

	Note	Three months Period ended 30 June 2018	Six months period ended 30 June 2018	Three months Period ended 30 June 2017	Six months period ended 30 June 2017
		SAR' 000		SAR' 000	
REVENUES					
Gross premiums written	7.2	100,857	242,916	102,890	206,658
Fee income from insurance contracts	7.2	26	61	20	39
Reinsurance premiums ceded					
- Local		(2,198)	(4,838)	(2,891)	(5,196)
- Foreign		(56,682)	(84,740)	(73,341)	(101,745)
Excess of loss expenses		(2,051)	(4,135)	(1,459)	(2,918)
Net premiums written		39,952	149,264	25,219	96,838
Changes in unearned premiums, net		9,031	(52,306)	6,708	(33,645)
Net premiums earned		48,983	96,958	31,927	63,193
Reinsurance commission earned		4,803	10,739	5,948	13,060
Other underwriting income		-	406	-	955
Total revenues		53,786	108,103	37,875	77,208
UNDERWRITING COSTS AND EXPENSES					
Gross claims paid		(45,922)	(80,943)	(30,206)	(119,992)
Surrenders		(141)	(427)	-	(52)
Reinsurers' share of claims paid		15,115	22,051	12,123	79,732
Net claims and other benefits paid		(30,948)	(59,319)	(18,083)	(40,312)
Changes in outstanding claims, net		(4,976)	(11,647)	1,230	7,638
Changes in incurred but not reported claims, net		1,686	100	(3,244)	(5,644)
Changes in other reserves, net		375	419	-	-
Net claims and other benefits incurred		(33,863)	(70,447)	(20,097)	(38,318)
Changes in premium deficiency reserves		(836)	(836)	-	-
Changes in unit linked reserves		(3,448)	(6,722)	(1,127)	(1,701)
Policy acquisition costs		(6,769)	(13,793)	(5,649)	(11,127)
Other underwriting expenses		(511)	(1,268)	(988)	(1,495)
Total underwriting costs and expenses		(45,427)	(93,066)	(27,861)	(52,641)
NET UNDERWRITING INCOME		8,359	15,037	10,014	24,567
OPERATING (EXPENSES) / INCOME					
General and administrative expenses		(15,609)	(31,542)	(17,708)	(24,622)
Provision for doubtful receivables		(4,960)	(3,704)	(912)	(7,589)
Unrealized gain on investments		2,979	5,206	971	904
Realized (loss) / gain on investments		(79)	1,341	156	914
Total operating expenses - net		(17,669)	(28,699)	(17,493)	(30,393)
Loss for the period		(9,310)	(13,662)	(7,479)	(5,826)
Appropriation to insurance operations		-	-	-	-
Total loss for the period attributable to the shareholders		(9,310)	(13,662)	(7,479)	(5,826)
Loss per share (SR)	11	(0.31)	(0.46)	(0.25)	(0.19)
Number of outstanding shares	11	30,000	30,000	30,000	30,000
				Restated	Restated

The accompanying notes 1 to 18 form an integral part of these interim condensed financial information.


Director


Chief Financial Officer


Chief Executive Officer


ALINMA TOKIO MARINE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

For the three months and six months period ended 30 June

	Note	Three months	Six months	Three months	Six months
		Period ended	period ended	Period ended	period ended
		30 June 2018	30 June 2018	30 June 2017	30 June 2017
		SAR' 000		SAR' 000	
Net loss for the period		(9,310)	(13,662)	(7,479)	(5,826)
Other comprehensive loss:					
Items that will not be reclassified to statement of income in subsequent periods					
- Actuarial loss on retirement benefit obligation	9	68	(208)	-	-
Total comprehensive loss for the period		(9,242)	(13,870)	(7,479)	(5,826)

The accompanying notes 1 to 18 form an integral part of these interim condensed financial information.



Director



Chief Financial Officer



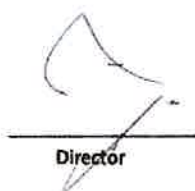
Chief Executive Officer

ALINMA TOKIO MARINE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)
For the six months period ended 30 June

	Note	Share capital	Accumulated losses	Total
			SAR'000	
2018				
Balance as at 31 December 2017	10	300,000	(17,227)	282,773
Total comprehensive loss for the period		-	(13,662)	(13,662)
Zakat charge for the period	8	-	(2,700)	(2,700)
Balance as at 30 June 2018		<u>300,000</u>	<u>(33,589)</u>	<u>266,411</u>
2017				
Balance as at 31 December 2016	10	450,000	(158,346)	291,654
Transaction cost relating to reduction in share capital			(403)	(403)
Total comprehensive loss for the period		-	(5,826)	(5,826)
Zakat charge for the period	8	-	(2,002)	(2,002)
Balance as at 30 June 2017		<u>450,000</u>	<u>(166,577)</u>	<u>283,423</u>

The accompanying notes 1 to 18 form an integral part of these interim condensed financial information.


Director


Chief Financial Officer


Chief Executive Officer

ALINMA TOKIO MARINE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (Unaudited)
For the six months period ended

	Note	2018	2017
		SAR' 000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period		(13,662)	(5,826)
Adjustments for non cash items:			
Shareholders' operations appropriations		-	-
Depreciation of property and equipment		1,294	1,316
Provision for doubtful receivables		3,704	7,589
Realized gain on FVTIS	4	(689)	(147)
Unrealized gain on FVTIS	4	(2,823)	(480)
Provision for retirement benefit obligation	9	703	1,184
		(11,475)	3,630
Changes in operating assets and liabilities:			
Premiums and reinsurance receivables		(71,140)	(17,387)
Reinsurers' share of unearned premiums		(26,912)	(25,410)
Reinsurers' share of outstanding claims		(6,322)	106,036
Reinsurers' share of claims incurred but not reported		2,662	4,472
Reinsurers' share of other reserves		905	-
Deferred policy acquisition costs		(6,389)	(5,986)
Prepayments and other assets		(792)	(5,256)
Due from related parties		(473)	(245)
Unit linked investments		(6,722)	(1,783)
Outstanding claims		17,969	(58,421)
Claims incurred but not reported		(2,762)	1,173
Other reserves		(1,324)	-
Premium deficiency reserves		836	-
Unearned premiums		79,218	59,055
Reinsurance balances payable		1,078	23,044
Unearned reinsurance commission		1,666	3,435
Accrued expenses and other liabilities		2,366	(2,332)
Unit linked liabilities		6,722	1,783
Cash used in operations		(20,898)	85,812
Retirement benefit obligation paid	9	(206)	(99)
Zakat and income tax paid	8	(4,838)	(4,335)
Net cash (used in) / generated from operating activities		(25,942)	81,378
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of murabaha deposits	6	(123,705)	(91,705)
Purchase of investments	4	(39,000)	(133,155)
Proceeds from disposal of investments	4	172,458	126,370
Purchase of property and equipment		(3,430)	(1,023)
Net cash generated from / (used in) Investing activities		6,323	(99,513)
CASH FLOWS FROM FINANCING ACTIVITIES			
Transaction cost relating to reduction of Capital		-	(403)
Net cash used in financing activities		-	(403)
Net change in cash and cash equivalents		(19,619)	(18,538)
Cash and cash equivalents at the beginning of the period		107,863	140,310
Cash and cash equivalents at the end of the period	3	88,244	121,772
Non cash transactions			
Actuarial loss on retirement benefit obligations	9	208	-

The accompanying notes 1 to 18 form an integral part of these interim condensed financial information.

Director

Chief Financial Officer

Chief Executive Officer

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

1 REPORTING ENTITY AND OPERATIONS

Alinma Tokio Marine Company ("the Company") is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia as per Ministry of Commerce and Industry's Resolution number 309/Q dated 19 Rajab 1433H (corresponding to 9 June 2012). The Commercial Registration number of the Company is 1010342527, dated 28 Rajab 1433H (corresponding to 18 June 2012). The Company is listed on the Saudi Arabian Stock Exchange ("Tadawul") since 24 June 2012. The Registered Office of the Company's head office is as follows:

King Fahad Road
P.O. Box 643
Riyadh 11421
Kingdom of Saudi Arabia.

The Company is licensed to conduct insurance business in the Kingdom of Saudi Arabia under cooperative principles in accordance with Royal Decree No. 25/M, dated 3 Jumada-Al Thani 1430H (corresponding to 27 June 2009), pursuant to the Council of Ministers' Resolution No. 140 dated 2 Jumada-Al Thani 1430H (corresponding to 26 June 2009).

The objective of the Company is to engage in cooperative insurance operations and related activities, including reinsurance, agencies, representation, correspondence and intermediary activities in the Kingdom of Saudi Arabia in accordance with its Articles of Association and applicable regulations in the Kingdom of Saudi Arabia.

2 BASIS OF PREPARATION

2.1 Basis of presentation

The interim condensed financial information of the Company for the six months period ended 30 June 2018 have been prepared using the International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") as modified by SAMA for the accounting of zakat and income tax', which requires, adoption of all IFRSs as issued by the International Accounting Standards Board ("IASB") except for the application of International Accounting Standard (IAS) 12 - "Income Taxes" and IFRIC 21 - "Levies" so far as these relate to zakat and income tax. As per the SAMA Circular no. 381000074519 dated 14 Rajab 1438H (corresponding to 11 April 2017) and subsequent amendments through certain clarifications relating to the accounting for zakat and income tax ("SAMA Circular"), the Zakat and Income tax are to be accrued on a quarterly basis through shareholders equity under retained earnings. This change in framework resulted in a change in accounting policy for zakat and income tax.

In accordance with Article 70 of the SAMA Implementing Regulations, the Company must distribute, subject to the approval of SAMA, its annual net policyholders' surplus directly to policyholders at a time, and according to criteria, as set by its Board of Directors and as stipulated by SAMA circular, provided the customer contract (policy) is active and paid-up to date at the time of settlement of the cooperative distribution amount. Losses incurred by insurance operations are absorbed by shareholders' operations. As per the by-laws of the Company, surplus arising from insurance operations is distributed between shareholders and policyholders at 90 % and 10 % respectively while any deficit pertaining to insurance operations will be borne by the shareholders in full.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

2 BASIS OF PREPARATION (Continued)

2.1 Basis of presentation (Continued)

As required by the law, the Company maintains separate accounts for insurance operations and shareholders' operations and presents the financial information accordingly. The physical custody and title of all assets related to the insurance operations and shareholders' operations are held by the Company. Revenues and expenses clearly attributable to either activity are recorded in the respective accounts. The basis of allocation of expenses from joint operations is determined by Management and the Board of Directors of the Company

2.2 Basis of measurement

These interim condensed financial information have been prepared under the going concern basis and historical cost convention except for investments classified as 'available for sale' and 'held for trading' which are being carried at fair value, and retirement benefit obligations that are measured at present value.

2.3 Functional and presentation currency

The interim condensed financial information are expressed in Saudi Arabian Riyals (SR), which is the functional and presentation currency of the Company. All financial information presented in SR has been rounded off to the nearest thousand, unless otherwise stated.

2.4 Critical accounting estimates and judgments

Estimation uncertainty

The preparation of the interim condensed financial information requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these estimates and assumptions could result in an outcome that could require a material adjustment to the carrying amount of assets or liabilities affected in the future.

2.5 New standards and amendments to existing standards

The significant accounting policies adopted in the preparation of these interim condensed financial information are consistent with those followed in the preparation of the previous financial year, except for the following new and amended IFRSs and IFRIC interpretations. The Company has applied number of amendments to IFRSs and new interpretations issued by International Accounting Standards Board (IASB) that are mandatorily effective for accounting periods beginning on or after 1 January 2018. The adoption of new standards, amendments and revisions to existing standards, as mentioned below, had no significant financial impact on the financial information of the Company

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

2 BASIS OF PREPARATION (Continued)

2.5 New standards and amendments to existing standards (Continued)

IFRS 2 Share-based payment

Amendments to IFRS 2 – “Share-based Payment”, applicable for the period beginning on or after 1 January 2018. The amendments cover classification and measurement of three accounting areas, first, measurement of cash-settled share-based payments, second, classification of share-based payments settled net of tax withholdings, and third, accounting for a modification of a share-based payment from cash-settled to equity-settled. The impact is not material for the Company.

IFRS 17 - Insurance Contracts

IFRS 17 applies to virtually all insurance contracts (including reinsurance contracts) that an entity issues, reinsurance contracts that it holds and investment contracts with discretionary participation features it issues, provided the entity also issues insurance contracts. IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2021.

IFRS 15 Revenue from contracts with customers

IFRS 15 – “Revenue from Contracts with Customers” applicable from 1 January 2018 presents a five-step model to determine when to recognize revenue, and at what amount. The application of this standard could have a significant impact on how and when revenue is recognized (except for contracts that are within the scope of the Standards on leases, insurance contracts and financial instruments), with new estimates and judgments, and the possibility of revenue recognition being accelerated or deferred. The management believe that adoption of IFRS 15 has no material impact on the Company’s interim condensed financial information.

IFRS 16 Leases

IFRS 16 – “Leases”, applicable for the period beginning on or after 1 January 2019. The new standard eliminates the current dual accounting model for lessees under IAS 17, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, IFRS 16 proposes on-balance sheet accounting model. The impact is not material for the Company.

IFRS 9 Financial Instruments

The implementation of IFRS 9 is expected to result in a significant portion of financial assets currently classified as available-for-sale being re-classified as at fair value through profit or loss or fair value through other comprehensive income (OCI). Credit allowances for financial assets carried at amortized cost and debt securities measured at fair value, with changes in fair value recognized in OCI, are expected to increase due to the introduction of the expected credit loss methodology. The Company will avail of the exemptions available to insurers and is considering deferring the implementation of IFRS 9 until a later date, but no later than January 1, 2021.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

3 CASH AND CASH EQUIVALENTS

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Cash in hand	35	-	35	45	1,474	1,519
Cash at banks – current accounts	36,497	11,712	48,209	14,639	-	14,639
Short term murabah deposits	-	40,000	40,000	-	91,705	91,705
Total	36,532	51,712	88,244	14,684	93,179	107,863

Cash at bank includes an amount of SR 33.2 million (2017: SR 14.79 million) held with Alinma Bank, a related party.

Short-term Murabaha deposits represent deposits with local and foreign financial institutions that have investment grade credit ratings and have an original maturity of less than three months from the date of acquisition, yielding an average profit rate of 2.71% (2017: 2.2%) per annum.

4 INVESTMENTS

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Available for sale investments	-	1,923	1,923	-	1,923	1,923
Investments at fair value through statement of income (FVTSI)	345	37,943	38,288	46,436	121,427	167,863
Investments at held to maturity	-	13,342	13,342	-	13,711	13,711
Total	345	53,208	53,553	46,436	137,061	183,497

The movement during the period is as follows:

Available for sale investments

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Balance at the beginning and end	-	1,923	1,923	-	1,923	1,923

Investments at fair value through statement of income (FVTSI)

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Balance at the beginning	46,436	121,427	167,863	-	83,379	83,379
Purchases	29,000	10,000	39,000	114,000	227,295	341,295
Disposals	(75,433)	(96,656)	(172,089)	(68,000)	(191,000)	(259,000)
Realised gain	97	592	689	39	214	253
Unrealised gain	245	2,580	2,825	397	1,539	1,936
Balance at the end	345	37,943	38,288	46,436	121,427	167,863

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

4 INVESTMENTS (continued)

Investments at held to maturity

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Balance at the beginning	-	13,711	13,711	-	14,448	14,448
Redemptions	-	(369)	(369)	-	(737)	(737)
Balance at the end	-	13,342	13,342	-	13,711	13,711

DETERMINATION OF FAIR VALUE AND FAIR VALUE HIERARCHY

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value there is a presumption that an enterprise is a going concern without any intention or need to liquidate, curtail materially the scale of operations or undertake a transaction on adverse terms. The Company's financial assets consist of cash and cash equivalents, premiums and reinsurance receivables, Murabaha deposits, reinsurance share of outstanding claims, investments and its financial liabilities consist of reinsurance balance payables and gross outstanding claims. The fair values of financial assets and liabilities are not materially different from their carrying values at the interim condensed statement of financial position date.

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Shareholders' operations

	SAR'000			
	Level 1	Level 2	Level 3	Total
As at 30 June 2018 (unaudited)				
Available for sale investments				
- Investments in unquoted equity	-	-	1,923	1,923
Investments at fair value through statement of income				
- Investments in equity shares, discretionary portfolios and real estate fund	22,023	10,780	5,140	37,943
Investments at held to maturity				
- Sukuks	-	13,342	-	13,342
Total	22,023	24,122	7,063	53,208
As at 31 December 2017 (Audited)				
Available for sale investments				
- Investments in unquoted equity	-	-	1,923	1,923
Investments at fair value through statement of income				
- Investments in equity shares, discretionary portfolios and real estate fund	105,507	10,780	5,140	121,427
Investments at held to maturity				
- Sukuks	-	13,711	-	13,711
Total	105,507	24,491	7,063	137,061

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

4 INVESTMENTS (continued)

Shareholders' operations (continued)

Transfer between levels

The following table presents the transfer between levels for the period ended 30 June 2018

Shareholders' operations	SAR'000			
	Level 1	Level 2	Level 3	Total
As at 30 June 2018 (unaudited)				
Transfer between level 1 and level 2				
Units in real state fund	(10,780)	10,780	-	-
Transfer between level 1 and level 3				
Units in real state fund	(5,140)	-	5,140	-

The units in the real state funds were transferred to level 2 and level due to unavailability of quoted prices.

Insurance operations

	SAR'000			
	Level 1	Level 2	Level 3	Total
As at 30 June 2018 (unaudited)				
Investments at fair value through statement of income				
- Investments in mutual funds	345	-	-	345
Total	345	-	-	345

	SAR'000			
	Level 1	Level 2	Level 3	Total
As at 31 December 2017 (Audited)				
Investments at fair value through statement of income				
- Investments in mutual funds	46,436	-	-	46,436
Total	46,436	-	-	46,436

5 PREMIUMS AND REINSURANCE RECEIVABLES - NET

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Policyholders	193,293	-	193,293	77,485	-	77,485
Related parties (note 14)	6,004	-	6,004	6,567	-	6,567
Reinsurance receivables	15,505	-	15,505	59,601	-	59,601
	214,802	-	214,802	143,653	-	143,653
Provision for doubtful receivables	(20,967)	-	(20,967)	(17,263)	-	(17,263)
	193,835	-	193,835	126,390	-	126,390

6 MURABAHA DEPOSITS

Murabaha deposits represents deposits with foreign banks that have investment grade credit ratings and have an original maturity of more than three months from the date of acquisition, yielding an average profit rat of 2.71% (2017: 2.20%) per annum.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

7 TECHNICAL RESERVES

7.1 NET OUTSTANDING CLAIMS AND RESERVES

	As at 30 June 2018	As at 31 December 2017
	Unaudited	Audited
	SAR'000	
Outstanding claims	165,273	151,170
Less: Realizable value of salvage and subrogation	(4,849)	(8,715)
	160,424	142,455
Claims incurred but not reported	36,459	39,221
Other technical reserves	533	1,857
	197,416	183,533
Less:		
Reinsurers' share of outstanding claims	(135,276)	(128,954)
Reinsurers' share of claims Incurred but not reported	(15,494)	(18,156)
Reinsurers' share of other technical reserves	-	(905)
	(150,770)	(148,015)
Net Outstanding claims and reserves	46,646	35,518

7 TECHNICAL RESERVES (Continued)

7.2 MOVEMENT IN UNEARNED PREMIUMS

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Gross	Reinsurers' share	Net	Gross	Reinsurers' share	Net
	SAR'000			SAR'000		
Balance at the beginning	76,138	(30,297)	45,841	75,403	(40,429)	34,974
Premium written	242,997	(93,714)	149,283	296,723	(149,732)	146,991
Policy fee	61	-	61	98	-	98
Premium earned	(163,840)	66,802	(97,038)	(296,086)	159,864	(136,222)
Balance at the end	155,356	(57,209)	98,147	76,138	(30,297)	45,841

8 ZAKAT AND INCOME TAX

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Zakat payable	-	2,726	2,726	-	4,398	4,398
Income tax payable	-	160	160	-	626	626
Zakat and Income tax payable	-	2,886	2,886	-	5,024	5,024

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

8 ZAKAT AND INCOME TAX (continued)

Zakat:

The difference between the accounting income and the adjusted net loss is mainly due to provisions which are not allowed in the calculation of adjustable net income. Local shareholding used for the Zakat calculation is 71.25%

The movement in Zakat provision is as follows:

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Balance at the beginning	-	4,398	4,398	-	4,217	4,217
Zakat charge	-	2,700	2,700	-	4,516	4,516
Zakat payment made	-	(4,372)	(4,372)	-	(4,335)	(4,335)
Balance at the end	-	2,726	2,726	-	4,398	4,398

Status of Assessments

During 2017, the General Authority for Zakat and Tax (GAZT) has issued assessments for the years from 2012 to 2015, requiring an additional zakat and WHT liability amounting to SR 5.5 million and SR 2.9 million respectively. The Company has filed an appeal against the assessment of GAZT for the additional liability arising out of various disallowances for years from 2012 to 2015 with Preliminary Appeal Committee (PAC). The Company has obtained limited certificates for the year from 2012 to 2017. Zakat and income tax assessment for the year 2016 is currently under review by the GAZT.

Income tax:

Provision for income tax has been made at 20% of the adjusted net income attributable to the foreign shareholder of the Company. Foreign shareholder subject to income tax is 28.75%.

The movement in income tax provision is as follows:

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Balance at the beginning	-	626	626	-	(17)	(17)
Income tax charge	-	(466)	(466)	-	643	643
Balance at the end	-	160	160	-	626	626

9 RETIREMENT BENEFIT OBLIGATION

The Company operates an end of service benefit plan for its employee based on the prevailing Saudi Labour Laws. Accruals are made in accordance with the actuarial valuation under projected unit credit method, while the benefits payments obligation is discharged as and when

The following tables summarise the components of retirement benefit obligation recognised in the interim condensed statement of financial position and movement in the obligation during the period based on its present value are as follows:

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

9 RETIREMENT BENEFIT OBLIGATION (continued)

Principal actuarial assumption at:	30 June 2018	31 December 2017
Discount rate	4%	4%
Expected rate of salary increase	3%	3%

Amount recognised in the interim condensed statement of financial position

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Present value of retirement benefits obligation	4,978	-	4,978	4,273	-	4,273
Fair value of retirement benefit obligation	4,978	-	4,978	4,273	-	4,273
Net liability at the end	4,978	-	4,978	4,273	-	4,273

Amount recognised in the interim condensed Statement of Income

	For the three months period ended 30 June 2018 (unaudited)			For the three months period ended 30 June 2017 (unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Current service cost	322	-	322	305	-	305
Commission rate cost	47	-	47	-	-	-
Benefit expense	75	-	75	56	-	56

	For the six months period ended 30 June 2018 (unaudited)			For the three months period ended 30 June 2017 (unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Current service cost	613	-	613	305	-	305
Commission rate cost	90	-	90	-	-	-
Benefit expense	206	-	206	56	-	56

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

9 RETIREMENT BENEFIT OBLIGATION (continued)

Amount recognised in the interim condensed statement of financial position

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Present value of retirement benefit obligation						
at the beginning	4,273	-	4,273	2,783	-	2,783
Current service cost	613	-	613	1,280	-	1,280
Commission rate cost	90	-	90	118	-	118
Actuarial loss on end of service benefits	208	-	208	325	-	325
Benefits paid	(206)	-	(206)	(233)	-	(233)
Present value of retirement benefits obligation						
AT the end	4,978	-	4,978	4,273	-	4,273

Movement in net liability recognised in interim condensed statement of financial position:

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Net liability at the beginning	4,273	-	4,273	2,783	-	2,783
Charge recognised in interim condensed statement of income	703	-	703	1,398	-	1,398
Actuarial loss recognised in other comprehensive income	208	-	208	325	-	325
End of service benefits paid	(206)	-	(206)	(233)	-	(233)
Net liability at the end	4,978	-	4,978	4,273	-	4,273

10 ISSUED, AUTHORISED AND PAID UP SHARE CAPITAL

The issued, authorised and paid up share capital of the Company was SAR 300 Million as at 31 March 2018 (31 December 2017: SAR 300 Million) consisting of 30 Million shares (31 December 2017: 30 Million) of SAR 10 each.

Shareholding structure of the Company is as below. The shareholders of the Company are subject to zakat and income tax.

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	No. of shares	Value per share	Share Capital SAR	No. of shares	Value per share	Share Capital SAR
Alinma Bank	8,625,000	10	86,250,000	8,625,000	10	86,250,000
Tokio Marine & Nichido Fire Insurance	8,625,000	10	86,250,000	8,625,000	10	86,250,000
Others	12,750,000	10	127,500,000	12,750,000	10	127,500,000
	30,000,000	10	300,000,000	30,000,000	10	300,000,000

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

10 ISSUED, AUTHORISED AND PAID UP SHARE CAPITAL (Continued)

On 15th February 2017, the board of directors recommended to the shareholders to reduce the Company's share capital from SR 450,000,000 to SR 300,000,000 through writing off accumulated losses of SR 150,000,000. Due to the capital reduction there is no effect on the Company's financial obligations. The proposed capital reduction was approved by the regulatory bodies and by its shareholders in the General Assembly held on 10 May, 2017. During the year ended 31 December, 2017 the Company incurred transaction costs of SR 403 thousands in respect of reduction in share capital, which was charged directly to Statement of changes in shareholde's equity.

11 BASIC AND DILUTED LOSS PER SHARE

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

The weighted average number of shares have been retrospectively adjusted for all prior periods to reflect the reduction in share capital in line with the requirements of IAS 33, "Earnings per share".

	For the three months period ended 30 June 2018 Unaudited	For the six months period ended 30 June 2018 Unaudited	For the three months period ended 30 June 2017 Unaudited	For the six months period ended 30 June 2017 Unaudited
Net loss (SR "000")	(9,310)	(13,662)	(7,479)	(5,826)
			Restated	Restated
Weighted average number of ordinary shares ("000")	30,000	30,000	30,000	30,000
Loss per share (restated) SR	(0.31)	(0.46)	(0.25)	(0.19)

12 TRANSACTIONS WITH RELATED PARTIES

In the ordinary course of business, the Company transacts with related parties. Transactions with related parties are carried out on an arm's length basis.

Related parties represent major shareholders, directors and key management personnel of the Company, and companies of which they are principal owners and any other entities controlled, jointly controlled or significantly influenced by them. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors. In addition to the notes 3 and 5, following are the details of major related party transactions during and the related balances at the end of the period:

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

12 TRANSACTIONS WITH RELATED PARTIES (Continued)

Nature of transactions	For the three months period ended 30 June 2018 (unaudited)			For the three months period ended 30 June 2017 (unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
<u>Shareholders:</u>						
Gross written premiums	2,553	-	2,553	6,723	-	6,723
Reinsurance premiums ceded	1,071	-	1,071	1,171	-	1,171
Claims paid - net of recoveries	5,755	-	5,755	3,163	-	3,163
Reinsurance commission	240	-	240	261	-	261
Reinsurance share of claims	69	-	69	266	-	266
General and administrative expenses	(104)	4,050	3,946	810	442	1,252
<u>Other Related parties:</u>						
Investments	6,183	14,615	20,798	1,193	-	1,193
Agency commission	370	-	370	103	-	103
	For the six months period ended 30 June 2018 (unaudited)			For the six months period ended 30 June 2017 (unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
<u>Shareholders:</u>						
Gross written premiums	11,443	-	11,443	12,559	-	12,559
Reinsurance premiums ceded	3,319	-	3,319	1,740	-	1,740
Claims paid - net of recoveries	9,276	-	9,276	9,587	-	9,587
Reinsurance commission	602	-	602	396	-	396
Reinsurance share of claims	70	-	70	23,228	-	23,228
General and administrative expenses	716	7,983	8,699	810	442	1,252
<u>Other Related parties:</u>						
Investments	9,197	19,615	28,812	1,829	-	1,829
Agency commission	727	-	727	174	-	174

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

12 TRANSACTIONS WITH RELATED PARTIES (Continued)

Closing Balances

	As at 30 June 2018 (unaudited)			As at 31 December 2017 (Audited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
<u>Shareholders:</u>						
Premium Receivable	6,004	-	6,004	6,567	-	6,567
Reinsurance premiums payable	5,306	-	5,306	3,897	-	3,897
Claims (recoverable) / payable	-	-	-	339	-	339
Bank Balance	36,497	11,711	48,208	13,328	1,464	14,792
General and administrative expenses	501	481	982	668	245	913

Other related parties

Investments	15,123	37,901	53,024	8,400	54,894	63,294
Agency commission	242	-	242	465	-	465

Information relating to key management personnel:

	For the three months period ended 30 June 2018 (unaudited)			For the three months period ended 30 June 2017 (unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Short term benefits	1,075	-	1,075	1,424	-	1,424
Long term benefits	79	-	79	536	-	536

	For six months period ended 30 June 2018 (unaudited)			For the six months period ended 30 June 2017 (unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Short term benefits	2,134	-	2,134	2,620	-	2,620
Long term benefits	186	-	186	663	-	663

Board and sub committees related expenses:

	For the three months period ended 30 June 2018 (unaudited)			For the three months period ended 30 June 2017 (unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Directors' remuneration	-	270	270	-	255	255

ALINMA TOKIO MARINE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

Attendance fees	-	22	22	-	123	123
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NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

12 TRANSACTIONS WITH RELATED PARTIES (Continued)

	For six months period ended 30 June 2018 (unaudited)			For the six months period ended 30 June 2017 (unaudited)		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Directors' remuneration	-	750	750	-	510	510
Attendance fees	-	172	172	-	246	246

13 CONTINGENCIES AND COMMITMENT

As at 30 June 2018 the Company's banker has issued letters of guarantee of SR 1.18 million (2017: SR 1.18 million) to various customers, motor agencies, workshops and health service providers as per the terms of their respective agreements which have been classified under prepayments and other assets in the statement of financial position. The Company has no capital commitments as at 30 June 2018 and 31 December 2017.

14 STATUTORY DEPOSIT

In accordance with the Saudi Arabian Implementing Regulations issued by SAMA, the Company has deposited an amount equivalent to 15% (2017: 15%) of its paid up share capital in a bank account designated by SAMA. This is a restricted deposit and cannot be utilized in the operations of the Company.

15 SEGMENT REPORTING

Operating segments are identified on the basis of internal reports about components of the Company that are regularly reviewed by the Company's Board of Directors in their function as chief operating decision maker in order to allocate resources to the segments and to assess its Transactions between the operating segments are on normal commercial terms and conditions. The revenue from external parties reported to the Board is measured in a manner consistent with that in the condensed income statement. Segment assets and liabilities comprise operating assets and liabilities.

Segment information is presented in respect of the Company's business segments which are fire, marine, general accident, engineering, motor and protection and savings based on the Company's management and internal reporting structure.

Operating segments do not include shareholders' operations of the Company.

Segment assets do not include cash and bank balances, investments, premiums and reinsurance receivables, due from shareholders' operations, prepayments and other assets and fixed assets.

Segment liabilities do not include reinsurance balance payable, accrued expenses and other liabilities and retirement benefit obligation.

Segment results do not include general and administrative expenses.

The unallocated assets and liabilities are reported to the Chief Executive Officer on a cumulative basis and not reported under the related segment.

Consistent with the Company's internal reporting process, operating segments have been approved by management in respect of the Company's activities, assets and liabilities. Information disclosed in the note is based on current reporting to the Chief Executive Officer.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

15 SEGMENT REPORTING (Continued)

	For the three months period ended 30 June 2018 (unaudited)									
	Fire	Marine	General	Engineering	Motor	Protection	Medical	Total	Shareholders	Total
			accident			and savings		Insurance	' operations	
	Operations									
	SAR'000									
REVENUES										
Gross premiums written	28,616	19,181	8,862	1,330	22,342	18,824	1,702	100,857	-	100,857
Fee income from Insurance contracts	2	2	3	1	18	-	-	26	-	26
Reinsurance premiums ceded - Local	(735)	(546)	(617)	(300)	-	-	-	(2,198)	-	(2,198)
Reinsurance premiums ceded - Foreign	(27,186)	(18,033)	(6,764)	(704)	-	(3,995)	-	(56,682)	-	(56,682)
Excess of loss expenses	(262)	(247)	(461)	(87)	(994)	-	-	(2,051)	-	(2,051)
Net premiums written	435	357	1,023	240	21,366	14,829	1,702	39,952	-	39,952
Net change in unearned premiums	(77)	239	46	(199)	12,430	(5,277)	1,869	9,031	-	9,031
Net premiums earned	358	596	1,069	41	33,796	9,552	3,571	48,983	-	48,983
Reinsurance commission earned	2,211	1,344	898	348	2	-	-	4,803	-	4,803
Other underwriting income	-	-	-	-	-	-	-	-	-	-
Total insurance revenues	2,569	1,940	1,967	389	33,798	9,552	3,571	53,786	-	53,786
UNDERWRITING COSTS AND EXPENSES										
Net claims incurred	(217)	87	(455)	405	(25,874)	(2,527)	(5,282)	(33,863)	-	(33,863)
Changes in premium deficiency reserve	-	-	-	-	-	-	(836)	(836)	-	(836)
Changes in unit linked reserves	-	-	-	-	-	(3,448)	-	(3,448)	-	(3,448)
Policy acquisition costs	(1,691)	(613)	(575)	(161)	(3,050)	(484)	(195)	(6,769)	-	(6,769)
Other underwriting expenses	(198)	(114)	(50)	(31)	(35)	(25)	(58)	(511)	-	(511)
Total underwriting costs and expenses	(2,106)	(640)	(1,080)	213	(28,959)	(6,484)	(6,371)	(45,427)	-	(45,427)
NET UNDERWRITING INCOME								8,359	-	8,359
OTHER OPERATING (EXPENSES)/ INCOME										
General and administrative expenses								(14,913)	(696)	(15,609)
Provision for doubtful receivables								(4,960)	-	(4,960)
Unrealized gain on investments								657	1,905	2,562
Realized (loss) / gain on investments								69	269	338
Total other operating expenses								(19,147)	1,478	(17,669)
Net (deficit) / surplus								(10,788)	1,478	(9,310)
Appropriation to shareholders' operations										-
Net deficit after appropriations to shareholders' operations										(9,310)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

15 SEGMENT REPORTING (Continued)

	For the three months period ended 30 June 2017 (unaudited)								Shareholders' operations	Total
	Fire	Marine	General accident	Engineering	Motor	Protection and savings	Medical	Total Insurance Operations		
	SAR'000									
REVENUES										
Gross premiums written	44,218	22,007	9,177	2,079	18,484	6,848	77	102,890	-	102,890
Fee income from Insurance contracts	1	-	3	2	14	-	-	20	-	20
Reinsurance premiums ceded - Local	(1,087)	(584)	(560)	(416)	(244)	-	-	(2,891)	-	(2,891)
Reinsurance premiums ceded - Foreign	(42,120)	(20,756)	(7,255)	(1,182)	1,420	(3,448)	-	(73,341)	-	(73,341)
Excess of loss expenses	(145)	(253)	(301)	(85)	(675)	-	-	(1,459)	-	(1,459)
Net premiums written	867	414	1,064	398	18,999	3,400	77	25,219	-	25,219
Net change in unearned premiums	(449)	(90)	15	(338)	7,031	27	512	6,708	-	6,708
Net premiums earned	418	324	1,079	60	26,030	3,427	589	31,927	-	31,927
Reinsurance commission earned	2,965	1,775	836	333	39	-	-	5,948	-	5,948
Other underwriting income	-	-	-	-	-	-	-	-	-	-
Total insurance revenues	3,383	2,099	1,915	393	26,069	3,427	589	37,875	-	37,875
UNDERWRITING COSTS AND EXPENSES										
Net claims incurred	(128)	(332)	(81)	85	(18,730)	(310)	(601)	(20,097)	-	(20,097)
Changes in unit linked reserves	-	-	-	-	-	(1,127)	-	(1,127)	-	(1,127)
Policy acquisition costs	(1,346)	(756)	(456)	(159)	(2,714)	(193)	(25)	(5,649)	-	(5,649)
Other underwriting expenses	(399)	(236)	(85)	(27)	(216)	(53)	28	(988)	-	(988)
Total underwriting costs and expenses	(1,873)	(1,324)	(622)	(101)	(21,660)	(1,683)	(598)	(27,861)	-	(27,861)
NET UNDERWRITING INCOME								10,014	-	10,014
OTHER OPERATING (EXPENSES)/ INCOME										
General and administrative expenses								(16,993)	(715)	(17,708)
Provision for doubtful receivables								(912)	-	(912)
Unrealized gain / (loss) on investments								55	916	971
Realized gain on investments								-	156	156
Total other operating expenses								(17,850)	357	(17,493)
Net surplus								(7,836)	357	(7,479)
Appropriation to shareholders' operations								(1,798)	1,798	-
Appropriation to insurance operations								-	-	-
Net surplus after appropriations to shareholders' operations										(7,479)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

15 SEGMENT REPORTING (Continued)

	For the six month period ended 30 June 2018 (unaudited)									
	Fire	Marine	General accident	Engineering	Motor	Protection and savings	Medical	Total Insurance Operations	Shareholders ' operations	Total
	SAR'000									
REVENUES										
Gross premiums written	42,410	26,056	14,263	7,329	116,600	28,573	7,685	242,916	-	242,916
Fee income from Insurance contracts	4	3	7	2	45	-	-	61	-	61
Reinsurance premiums ceded - Local	(1,430)	(1,662)	(1,133)	(613)	-	-	-	(4,838)	-	(4,838)
Reinsurance premiums ceded - Foreign	(39,559)	(22,532)	(9,836)	(6,034)	-	(6,779)	-	(84,740)	-	(84,740)
Excess of loss expenses	(546)	(463)	(940)	(166)	(2,020)	-	-	(4,135)	-	(4,135)
Net premiums written	879	1,402	2,361	518	114,625	21,794	7,685	149,264	-	149,264
Net change in unearned premiums	(87)	(269)	(274)	(321)	(46,082)	(4,770)	(503)	(52,306)	-	(52,306)
Net premiums earned	792	1,133	2,087	197	68,543	17,024	7,182	96,958	-	96,958
Reinsurance commission earned	4,789	3,059	1,860	1,028	3	-	-	10,739	-	10,739
Other underwriting income	-	-	-	-	406	-	-	406	-	406
Total insurance revenues	5,581	4,192	3,947	1,225	68,952	17,024	7,182	108,103	-	108,103
UNDERWRITING COSTS AND EXPENSES										
Net claims incurred	(245)	(81)	(979)	199	(55,360)	(5,693)	(8,288)	(70,447)	-	(70,447)
Changes in premium deficiency reserve	-	-	-	-	-	-	(836)	(836)	-	(836)
Changes in unit linked reserves	-	-	-	-	-	(6,722)	-	(6,722)	-	(6,722)
Policy acquisition costs	(3,135)	(1,442)	(1,119)	(364)	(6,249)	(1,123)	(361)	(13,793)	-	(13,793)
Other underwriting expenses	(205)	(122)	(66)	(34)	(583)	(143)	(115)	(1,268)	-	(1,268)
Total underwriting costs and expenses	(3,585)	(1,645)	(2,164)	(199)	(62,192)	(13,681)	(9,600)	(93,066)	-	(93,066)
NET UNDERWRITING INCOME								15,037	-	15,037
OTHER OPERATING (EXPENSES)/ INCOME										
General and administrative expenses								(29,695)	(1,847)	(31,542)
Provision for doubtful receivables								(3,704)		(3,704)
Unrealized gain on investments								1,228	3,978	5,206
Realized gain on investments								97	1,244	1,341
Total other operating expenses								(32,074)	3,375	(28,699)
Net surplus								(17,037)	3,375	(13,662)
Appropriation to shareholders' operations										-
Appropriation to insurance operations										-
Net surplus after appropriations to shareholders' operations										(13,662)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

15 SEGMENT REPORTING (Continued)

	For the six month period ended 30 June 2017 (unaudited)									
	Fire	Marine	General accident	Engineering	Motor	Protection and savings	Medical	Total Insurance Operations	Shareholders' operations	Total
	SAR'000									
REVENUES										
Gross premiums written	55,802	34,018	13,615	3,849	86,057	13,240	77	206,658	-	206,658
Fee income from Insurance contracts	3	1	6	2	27	-	-	39	-	39
Reinsurance premiums ceded - Local	(2,056)	(1,399)	(834)	(663)	(244)	-	-	(5,196)	-	(5,196)
Reinsurance premiums ceded - Foreign	(51,829)	(31,033)	(9,506)	(2,572)	(210)	(6,595)	-	(101,745)	-	(101,745)
Excess of loss expenses	(290)	(507)	(603)	(170)	(1,348)	-	-	(2,918)	-	(2,918)
Net premiums written	1,630	1,080	2,678	446	84,282	6,645	77	96,838	-	96,838
Net change in unearned premiums	(893)	(148)	(835)	(463)	(33,541)	(39)	2,274	(33,645)	-	(33,645)
Net premiums earned	737	932	1,843	(17)	50,741	6,606	2,351	63,193	-	63,193
Reinsurance commission earned	5,251	5,397	1,656	681	75	-	-	13,060	-	13,060
Other underwriting income	-	-	-	-	955	-	-	955	-	955
Total insurance revenues	5,988	6,329	3,499	664	51,771	6,606	2,351	77,208	-	77,208
UNDERWRITING COSTS AND EXPENSES										
Net claims incurred	171	(1,802)	(85)	94	(34,319)	(368)	(1,957)	(38,266)	-	(38,266)
Changes in unit linked reserves	-	-	-	-	-	(1,701)	-	(1,701)	-	(1,701)
Policy acquisition costs	(2,378)	(1,407)	(795)	(306)	(5,784)	(358)	(99)	(11,127)	-	(11,127)
Other underwriting expenses	(404)	(246)	(98)	(28)	(622)	(148)	(1)	(1,547)	-	(1,547)
Total underwriting costs and expenses	(2,611)	(3,455)	(978)	(240)	(40,725)	(2,575)	(2,057)	(52,641)	-	(52,641)
NET UNDERWRITING INCOME								24,567	-	24,567
OTHER OPERATING (EXPENSES)/ INCOME										
General and administrative expenses								(22,886)	(1,736)	(24,622)
Provision for doubtful receivables								(7,589)	-	(7,589)
Unrealized gain / (loss) on investments								70	834	904
Realized gain on investments									914	914
Total other operating expenses								(30,405)	12	(30,393)
Net surplus								(5,838)	12	(5,826)
Appropriation to shareholders' operations								(1,798)	1,798	-
Appropriation to insurance operations									-	-
Net surplus after appropriations to shareholders' operations										(5,826)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

15 SEGMENT REPORTING (Continued)

	As at 30 June 2018 (unaudited)								
	Fire	Marine	General	Engineering	Motor	Protection	Medical	Total	Shareholders
			accident			and savings		Insurance	operations
	SAR'000								
ASSETS									
Cash and cash equivalents	-	-	-	-	-	-	-	36,532	51,712
Investments	-	-	-	-	-	-	-	345	53,208
Reinsurers' share of outstanding claims	87,087	28,100	5,309	4,941	3,078	6,761	-	135,276	-
Reinsurers' share of claims IBNR	4,265	6,177	1,977	1,652	-	1,423	-	15,494	-
Reinsurers' share of other reserves	-	-	-	-	-	-	-	-	-
Reinsurers' share of unearned premiums	28,567	15,950	7,442	4,281	14	955	-	57,209	-
Deferred policy acquisition costs	3,395	595	1,163	474	7,115	869	307	13,918	-
Unit linked investments	-	-	-	-	-	15,122	-	15,122	-
Unallocated assets	-	-	-	-	-	-	-	220,431	170,791
Total assets	-	-	-	-	-	-	-	494,327	275,711

	As at 30 June 2018 (unaudited)								
	Fire	Marine	General	Engineering	Motor	Protection	Medical	Total	Shareholders
			accident			and savings		Insurance	operations
	SAR'000								
LIABILITIES									
Outstanding claims	88,096	29,285	6,606	4,968	18,965	10,468	2,036	160,424	-
Claims incurred but not reported	4,557	6,725	2,618	1,755	9,507	2,985	8,312	36,459	-
Other reserves	57	62	43	9	362	-	-	533	-
Unearned premiums	29,605	17,072	10,120	5,073	79,301	8,221	5,964	155,356	-
Unearned reinsurance commission	3,812	2,000	1,652	860	3	-	-	8,327	-
Unit linked liabilities	-	-	-	-	-	15,122	-	15,122	-
Unallocated liabilities	-	-	-	-	-	-	-	118,106	275,711
Total liabilities	-	-	-	-	-	-	-	494,327	275,711

	As at 31 December 2017 (audited)								
	Fire	Marine	General	Engineering	Motor	Protection	Medical	Total	Shareholders'
			accident			and savings		Insurance	operations
	SAR'000								
ASSETS									
Cash and cash equivalents	-	-	-	-	-	-	-	14,684	93,179
Investments	-	-	-	-	-	-	-	46,436	137,061
Reinsurers' share of outstanding claims	86,751	28,197	4,444	1,771	2,963	4,828	-	128,954	-
Reinsurers' share of claims IBNR	5,229	5,892	2,009	1,857	-	3,169	-	18,156	-
Reinsurers' share of other reserves	-	-	-	905	-	-	-	905	-
Reinsurers' share of unearned premiums	14,444	10,260	3,063	2,450	32	48	-	30,297	-
Deferred policy acquisition costs	1,763	802	722	459	3,152	253	378	7,529	-
Unit linked investments	-	-	-	-	-	8,400	-	8,400	-
Unallocated assets	-	-	-	-	-	-	-	146,554	61,198
Total assets	-	-	-	-	-	-	-	401,915	291,438

	As at 31 December 2017 (audited)								
	Fire	Marine	General	Engineering	Motor	Protection	Medical	Total	Shareholders'
			accident			and savings		Insurance	operations
	SAR'000								
LIABILITIES									
Outstanding claims	87,896	29,247	4,935	1,865	11,567	6,151	794	142,455	-
Claims incurred but not reported	5,561	6,440	2,640	1,985	11,271	4,347	6,977	39,221	-
Other reserves	57	318	43	1,078	361	-	-	1,857	-
Unearned premiums	15,395	11,113	5,467	2,919	33,237	2,545	5,462	76,138	-
Unearned reinsurance commission	3,181	1,820	853	801	6	-	-	6,661	-
Unit linked liabilities	-	-	-	-	-	8,400	-	8,400	-
Unallocated liabilities	-	-	-	-	-	-	-	127,183	291,438
Total liabilities	-	-	-	-	-	-	-	401,915	291,438

NOTES TO THE FINANCIAL STATEMENTS

FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

16 SUPPLEMENTARY INFORMATION

16.1 Interim condensed statement of financial position

		As at 30 June 2018 (Unaudited)			As at 31 December 2017 (Audited)		
	Note	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
		SAR'000			SAR'000		
ASSETS							
Cash and cash equivalents	3	36,532	51,712	88,244	14,684	93,179	107,863
Investments	4	345	53,208	53,553	46,436	137,061	183,497
Premiums and reinsurance receivables, net	5	193,835	-	193,835	126,390	-	126,390
Reinsurers' share of unearned premiums	7.2	57,209	-	57,209	30,297	-	30,297
Reinsurers' share of outstanding claims	7.1	135,276	-	135,276	128,954	-	128,954
Reinsurers' share of claims incurred but not reported	7.1	15,494	-	15,494	18,156	-	18,156
Reinsurers' share of other reserves	7.1	-	-	-	905	-	905
Deferred policy acquisition costs		13,918	-	13,918	7,529	-	7,529
Prepayments and other assets		13,933	1,605	15,538	13,053	1,693	14,746
Due from related parties	12	-	481	481	-	8	8
Due from insurance operations		-	-	-	-	14,497	14,497
Due from shareholders' operations		3,416	-	3,416	-	-	-
Murabaha deposits	6	-	123,705	123,705	-	-	-
Statutory deposit	14	-	45,000	45,000	-	45,000	45,000
Property and equipment		9,247	-	9,247	7,111	-	7,111
Unit linked investments		15,122	-	15,122	8,400	-	8,400
TOTAL ASSETS		494,327	275,711	770,038	401,915	291,438	693,353
LIABILITIES							
Outstanding claims	7.1	160,424	-	160,424	142,455	-	142,455
Claims incurred but not reported	7.1	36,459	-	36,459	39,221	-	39,221
Other reserves	7.1	533	-	533	1,857	-	1,857
Premium deficiency reserves		836	-	836	-	-	-
Unearned premiums	7.2	155,356	-	155,356	76,138	-	76,138
Reinsurance balances payable		62,468	-	62,468	61,390	-	61,390
Unearned reinsurance commission		8,327	-	8,327	6,661	-	6,661
Accrued expenses and other liabilities		50,357	2,998	53,355	47,348	3,641	50,989
Zakat and income tax payable	8	-	2,886	2,886	-	5,024	5,024
Unit linked liabilities		15,122	-	15,122	8,400	-	8,400
Retirement benefit obligation	9	4,978	-	4,978	4,273	-	4,273
Due to shareholder's operations		-	-	-	14,497	-	14,497
Due to insurance operations		-	3,416	3,416	-	-	-
TOTAL LIABILITIES		494,860	9,300	504,160	402,240	8,665	410,905
INSURANCE OPERATIONS DEFICIT							
Remeasurement of retirement benefit obligation	9	(533)	-	(533)	(325)	-	(325)
SHAREHOLDERS' EQUITY							
Share capital	10	-	300,000	300,000	-	300,000	300,000
Accumulated losses		-	(33,589)	(33,589)	-	(17,227)	(17,227)
TOTAL SHAREHOLDERS' EQUITY		-	266,411	266,411	-	282,773	282,773
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		494,327	275,711	770,038	401,915	291,438	693,353

NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

16 SUPPLEMENTARY INFORMATION (continued)

16.2 Interim condensed statement of income (unaudited)

	Note	Three months period ended 30 June 2018			Three months period ended 30 June 2017		
		Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
		SAR'000			SAR'000		
REVENUES							
Gross premiums written	7.2	100,857	-	100,857	102,890	-	102,890
Fee income from Insurance contracts	7.2	26	-	26	20	-	20
Reinsurance premiums ceded							
- Local		(2,198)	-	(2,198)	(2,891)	-	(2,891)
- Foreign		(56,682)	-	(56,682)	(73,341)	-	(73,341)
Excess of loss expenses		(2,051)	-	(2,051)	(1,459)	-	(1,459)
Net premiums written		39,952	-	39,952	25,219	-	25,219
Changes in unearned premiums, net		9,031	-	9,031	6,708	-	6,708
Net premiums earned		48,983	-	48,983	31,927	-	31,927
Reinsurance commission earned		4,803	-	4,803	5,948	-	5,948
Other underwriting income		-	-	-	-	-	-
Total Revenues		53,786	-	53,786	37,875	-	37,875
UNDERWRITING COSTS AND EXPENSES							
Gross claims paid		(45,922)	-	(45,922)	(30,206)	-	(30,206)
Surrenders		(141)	-	(141)	-	-	-
Reinsurers' share of claims paid		15,115	-	15,115	12,123	-	12,123
Net claims paid		(30,948)	-	(30,948)	(18,083)	-	(18,083)
Changes in outstanding claims, net		(4,976)	-	(4,976)	(2,014)	-	(2,014)
Changes in incurred but not reported claims , net		1,686	-	1,686	-	-	-
Changes in other reserves, net		375	-	375	-	-	-
Net claims incurred		(33,863)	-	(33,863)	(20,097)	-	(20,097)
Changes in Premium deficiency reserves		(836)	-	(836)	-	-	-
Changes in unit linked reserves		(3,448)	-	(3,448)	(1,127)	-	(1,127)
Policy acquisition costs		(6,769)	-	(6,769)	(5,649)	-	(5,649)
Other underwriting expenses		(511)	-	(511)	(988)	-	(988)
Total underwriting costs and expenses		(45,427)	-	(45,427)	(27,861)	-	(27,861)
NET UNDERWRITING INCOME		8,359	-	8,359	10,014	-	10,014
OPERATING (EXPENSES) / INCOME							
General and administrative expenses		(14,913)	(696)	(15,609)	(16,993)	(715)	(17,708)
Provision for doubtful receivables		(4,960)	-	(4,960)	(912)	-	(912)
Unrealized gain / (loss) on investments		657	1,905	2,562	55	916	971
Realized gain on investments		69	269	338	-	156	156
Total operating (expenses)/ income net		(19,147)	1,478	(17,669)	(17,850)	357	(17,493)
Net (deficit) / surplus from insurance operations		(10,788)	1,478	(9,310)	(7,836)	357	(7,479)
Shareholders' absorption of deficit / (Surplus)		10,788	(10,788)	-	7,836	(7,836)	-
Total (loss)/ income for the period attributable to the shareholders		-	(9,310)	(9,310)	-	(7,479)	(7,479)
(Loss) / income per share (SR) - restated				(0.31)			(0.25)
Number of outstanding shares - restated				30,000			30,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

16 SUPPLEMENTARY INFORMATION (continued)

16.2 Interim condensed statement of income (unaudited)

	Note	Six months period ended 30 June 2018			Six months period ended 30 June 2017		
		Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
		SAR'000			SAR'000		
REVENUES							
Gross premiums written	7.2	242,916	-	242,916	206,658	-	206,658
Fee income from Insurance contracts	7.2	61	-	61	39	-	39
Reinsurance premiums ceded							
- Local		(4,838)	-	(4,838)	(5,196)	-	(5,196)
- Foreign		(84,740)	-	(84,740)	(101,745)	-	(101,745)
Excess of loss expenses		(4,135)	-	(4,135)	(2,918)	-	(2,918)
Net premiums written		149,264	-	149,264	96,838	-	96,838
Changes in unearned premiums, net		(52,306)	-	(52,306)	(33,645)	-	(33,645)
Net premiums earned		96,958	-	96,958	63,193	-	63,193
Reinsurance commission earned		10,739	-	10,739	13,060	-	13,060
Other underwriting income		406	-	406	955	-	955
Total Revenues		108,103	-	108,103	77,208	-	77,208
UNDERWRITING COSTS AND EXPENSES							
Gross claims paid		(80,943)	-	(80,943)	(119,992)	-	(119,992)
Surrenders		(427)	-	(427)	(52)	-	(52)
Reinsurers' share of claims paid		22,051	-	22,051	79,732	-	79,732
Net claims paid		(59,319)	-	(59,319)	(40,312)	-	(40,312)
Changes in outstanding claims, net		(11,647)	-	(11,647)	1,994	-	1,994
Changes in incurred but not reported claims , net		100	-	100	-	-	-
Changes in other reserves, net		419	-	419	-	-	-
Net claims incurred		(70,447)	-	(70,447)	(38,318)	-	(38,318)
Changes in premium deficiency reserves		(836)	-	(836)	-	-	-
Changes in unit linked reserves		(6,722)	-	(6,722)	(1,701)	-	(1,701)
Policy acquisition costs		(13,793)	-	(13,793)	(11,127)	-	(11,127)
Other underwriting expenses		(1,268)	-	(1,268)	(1,495)	-	(1,495)
Total underwriting costs and expenses		(93,066)	-	(93,066)	(52,641)	-	(52,641)
NET UNDERWRITING INCOME		15,037	-	15,037	24,567	-	24,567
OPERATING (EXPENSES) / INCOME							
General and administrative expenses		(29,695)	(1,847)	(31,542)	(22,886)	(1,736)	(24,622)
Provision for doubtful receivables		(3,704)	-	(3,704)	(7,589)	-	(7,589)
Unrealized gain / (loss) on investments		1,228	3,978	5,206	70	834	904
Realized gain on investments		97	1,244	1,341	-	914	914
Total operating (expenses)/ income net		(32,074)	3,375	(28,699)	(30,405)	12	(30,393)
Net (deficit) / surplus from insurance operations		(17,037)	3,375	(13,662)	(5,838)	12	(5,826)
Shareholders' absorption of deficit / (Surplus)		17,037	(17,037)	-	5,838	(5,838)	-
Total (loss)/ income for the period attributable to the shareholders		-	(13,662)	(13,662)	-	(5,826)	(5,826)
(Loss) / income per share (SR) - restated				(0.46)			(0.19)
Number of outstanding shares - restated				30,000			30,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

16 SUPPLEMENTARY INFORMATION (continued)

16.3 Interim condensed statement of comprehensive income (unaudited)

Note	Three months period ended 30 June 2018			Three months period ended 30 June 2017		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Net (loss) / Profit for the period	-	(9,310)	(9,310)	(7,836)	357	(7,479)
Other comprehensive loss:						
Items that will not be reclassified to statement of income in subsequent periods:						
- Actuarial gain on retirement benefit obligation	68	-	68	-	-	-
Total comprehensive loss for the period	68	(9,310)	(9,242)	(7,836)	357	(7,479)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

16 SUPPLEMENTARY INFORMATION (continued)

16.3 Interim condensed statement of comprehensive income (unaudited)

Note	Six months period ended 30 June 2018			Six months period ended 30 June 2017		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
Net (loss) / Profit for the period	-	(13,662)	(13,662)	(5,838)	12	(5,826)
Other comprehensive loss:						
Items that will not be reclassified to statement of income in subsequent periods:						
- Actuarial loss on retirement benefit obligation 9	(208)	-	(208)	-	-	-
Total comprehensive loss for the period	(208)	(13,662)	(13,870)	(5,838)	12	(5,826)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2018

16 SUPPLEMENTARY INFORMATION (continued)

16.4 Interim condensed statement of cash flows(unaudited)

Note	Six months period ended 30 June 2018			Six months period ended 30 June 2017		
	Insurance operations	Shareholders' operations	Total	Insurance operations	Shareholders' operations	Total
	SAR'000			SAR'000		
CASH FLOWS FROM OPERATING ACTIVITIES						
Net loss for the period	-	(13,662)	(13,662)	-	(5,826)	(5,826)
Adjustments for non cash items:						
Shareholders' operations appropriations	-	-	-	-	-	-
Depreciation of property and equipment	1,294	-	1,294	1,316	-	1,316
Provision for doubtful receivables	3,704	-	3,704	7,589	-	7,589
Realized gain on FVTIS	4 (97)	(592)	(689)	-	(147)	(147)
Unrealized gain on FVTIS	4 (245)	(2,580)	(2,825)	(55)	(431)	(486)
Provision for retirement benefit obligation	703	-	703	1,184	-	1,184
	5,359	(16,834)	(11,475)	10,034	(6,404)	3,630
Changes in operating assets and liabilities:						
Premiums and reinsurance receivables	(71,149)	-	(71,149)	(17,383)	-	(17,383)
Reinsurers' share of unearned premiums	(26,912)	-	(26,912)	(25,410)	-	(25,410)
Reinsurers' share of outstanding claims	(6,322)	-	(6,322)	50,782	55,254	106,036
Reinsurers' share of claims incurred but not reported	2,662	-	2,662	4,472	-	4,472
Reinsurers' share of other reserves	905	-	905	-	-	-
Deferred policy acquisition costs	(6,389)	-	(6,389)	(5,986)	-	(5,986)
Prepayments and other assets	(880)	88	(792)	(6,278)	1,022	(5,256)
Due from related parties	-	(473)	(473)	-	(245)	(245)
Due from insurance operations	-	17,913	17,913	-	(2,392)	(2,392)
Unit linked investments	(6,722)	-	(6,722)	(1,783)	-	(1,783)
Outstanding claims	17,969	-	17,969	(58,421)	-	(58,421)
Claims incurred but not reported	(2,762)	-	(2,762)	1,173	-	1,173
Other reserves	(1,324)	-	(1,324)	-	-	-
Premium deficiency reserves	836	-	836	-	-	-
Unearned premiums	79,218	-	79,218	59,055	-	59,055
Reinsurance balances payable	1,078	-	1,078	23,044	-	23,044
Unearned reinsurance commission	1,666	-	1,666	3,435	-	3,435
Accrued expenses and other liabilities	3,009	(643)	2,366	(1,862)	(470)	(2,332)
Unit linked liabilities	6,722	-	6,722	1,783	-	1,783
Due to shareholders' operations	(17,913)	-	(17,913)	2,392	-	2,392
Cash (used in) / generated from operations	(20,949)	51	(20,898)	39,047	46,765	85,812
Retirement benefit obligation paid	(206)	-	(206)	(99)	-	(99)
Zakat and income tax paid	-	(4,838)	(4,838)	-	(4,335)	(4,335)
Net cash (used in) / generated from operating activities	(21,155)	(4,787)	(25,942)	38,948	42,430	81,378
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of murabaha deposits	6 -	(123,705)	(123,705)	-	(91,705)	(91,705)
Purchase of investments	4 (29,000)	(10,000)	(39,000)	(38,000)	(95,155)	(133,155)
Proceeds from disposal of investments	75,433	97,025	172,458	-	126,370	126,370
Purchase of property and equipment	(3,430)	-	(3,430)	(1,023)	-	(1,023)
Net cash generated from / (used in) investing activities	43,003	(36,680)	6,323	(39,023)	(60,490)	(99,513)
CASH FLOWS FROM FINANCING ACTIVITIES						
Transaction cost relating to reduction of Capital	-	-	-	-	(403)	(403)
Net cash generated from / (used in) financing activities	-	-	-	-	(403)	(403)
Net change in cash and cash equivalents	21,848	(41,467)	(19,619)	(75)	(18,463)	(18,538)
Cash and cash equivalents at the beginning of the period	14,684	93,179	107,863	4,308	136,002	140,310
Cash and cash equivalents at the end of the period	36,532	51,712	88,244	4,233	117,539	121,772

17 COMPARATIVE FIGURES

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

18 APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the Board of Directors of the Company on Zul Qada 17, 1439H corresponding to July 30, 2018G.