

The Company for Cooperative Insurance announces its interim condensed consolidated financial results for the period ending on 31-03-2023 (Three Months)



All figures are in (Thousands) Saudi Arabia, Riyals

Element List	CURRENT QUARTER	SIMILAR QUARTER FOR PREVIOUS YEAR	%CHANGE
Insurance revenue	3,407,306	2,492,156	36.72%
Insurance service expense	(3,719,608)	(3,011,530)	23.51%
Net income from reinsurance contracts held	474,611	570,086	-16.75%
Net loss on financial assets	(563)	(36,308)	98.45%
Net insurance financial result	126,186	20,446	517.17%
Net Profit before Zakat	101,347	7,789	1201.16%
Total Comprehensive (Loss) Income	76,569	(12,614)	
Total shareholders' equity (after deducting minority equity)	3,213,441	2,835,790	13.32%
Profit (Loss) per Share	0.60	(0.11)	

ELEMENT LIST	EXPLANATION
Reason for increase (decrease) in net profit for current quarter compared to the same quarter of the previous year	<p>Insurance service result for current quarter has improved by SAR 207,072K compared to the same quarter of the previous year. This is driven by a strong growth in gross written premiums by circa SAR 1,652,421K while gross earned premiums increased by SAR 1,192,317K. The growth in revenues were corresponded by an increase in claims incurred and attributable expenses by SAR 647,861K, additional risk adjustment booked during current quarter amounting SAR 38,098K and additional acquisition costs of SAR 69,256K which enabled the growth in written premiums.</p> <p>Net income from reinsurance contracts held for current quarter was SAR 474,611K vs SAR 570,086K compared to the same quarter of the previous year. Due to rising cost of buying reinsurance, the allocation of RI premiums increased by SAR 114,706K. Reinsurance program of Tawuniya was instrumental in yielding a net positive Insurance result of SAR 162,309K. Certain large claims incurred for P&C line of business have been recovered through the reinsurance program of the Company.</p> <p>The Company's investment portfolio performed strongly with an increase in Investment Income by SAR 129,263K during current quarter compared to same quarter of the previous year. Saudi equity portfolio performed well to yield an unrealized fair value of circa SAR 40,041K.</p> <p>Net other operating expenses have increased by SAR 13,628K during current quarter as the Company continues to invest in strategy 2025 related projects and initiatives.</p> <p>As a result of the aforementioned, the Company achieved net income before zakat of SAR 101,347K during current quarter of current year.</p>
Type of the external auditor's opinion	Unmodified opinion.
External auditor's report containing reservation	None
Reclassifications in quarter financial result	The company has restated the financial statements for the comparative figures for the previous year to be in line with the requirements of IFRS 17 (Insurance Contracts) and IFRS 9 (Financial Instruments).
Additional Information	<p>The company has adopted IFRS 17 (Insurance Contracts) and IFRS 9 (Financial Instruments), as endorsed in Saudi Arabia, starting 1 January 2023, with retrospective application which has materially changed the presentation of the financial results for periods starting Q1 2023 onwards with the comparative periods restated under the new standards.</p> <p>EPS calculated based on Net Profit after Zakat.</p>