
**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS AND
LIMITED REVIEW REPORT**

FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2018

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED FINANCIAL STATEMENTS
For The Three And Nine Month Periods Ended 30 September 2018

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

**The Shareholders
Buruj Cooperative Insurance Company
(A Saudi Joint Stock Company)
Kingdom of Saudi Arabia**

Introduction:

We have reviewed the accompanying interim condensed statement of financial position of Buruj Cooperative Insurance Company (A Saudi Joint Stock Company) (the "Company") as at 30 September 2018 and the related interim condensed statement of income, interim condensed statement of comprehensive income for three and nine month periods then ended, interim condensed statement of changes in shareholders' equity and interim condensed statement of cash flows for the nine month period then ended, and the related notes which form an integral part of these 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 modified by Saudi Arabian Monetary Authority (SAMA) for the accounting of zakat and income tax. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.


Scope of Review:

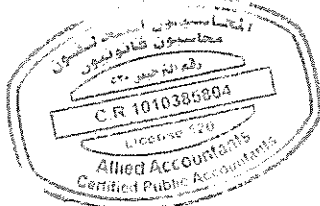
We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", as endorsed in the Kingdom of Saudi Arabia. A review of the interim condensed financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (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 statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 (IAS 34), "Interim Financial Reporting" as modified by SAMA for accounting of zakat and income tax.


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29 October 2018
20 Safar 1440

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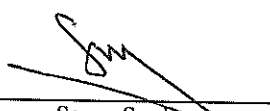
BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

		30 September 2018 (Unaudited)	31 December 2017 (Audited)
	Notes	SAR	SAR
ASSETS			
Cash and cash equivalents	4	188,219,867	238,876,530
Time deposits	5	405,911,886	413,190,826
Premiums and reinsurers' receivable, net	6	51,685,901	39,876,887
Reinsurers' share of unearned premiums	9(a)	12,266,641	10,763,509
Reinsurers' share of outstanding claims	9(b)	69,116,555	76,882,260
Reinsurers' share of claims incurred but not reported	9(b)	27,047,320	24,577,916
Deferred policy acquisition costs		10,962,369	15,907,131
Deferred excess of loss premiums		2,398,261	-
Investments	7	184,441,923	169,478,726
Prepaid expenses and other assets		26,448,759	17,556,315
Property and equipment, net		4,286,571	3,302,164
Investment in associate	7(e)	570,292	1,220,388
Statutory deposit	14	25,000,000	25,000,000
Statutory deposit investment returns	14	837,567	527,829
TOTAL ASSETS		1,009,193,912	1,037,160,481
LIABILITIES			
Policyholders and accounts payables		35,654,173	30,301,115
Accrued expenses and other liabilities		24,307,326	32,969,174
Reinsurers' balances payable		6,315,106	2,833,089
Unearned premiums		152,062,199	203,643,613
Unearned reinsurance commission		1,995,977	1,713,540
Outstanding claims		171,332,255	185,196,009
Claims incurred but not reported		116,001,478	129,048,469
Other technical reserves		9,295,376	12,332,859
End-of-service indemnities		10,204,500	8,912,564
Zakat payable	10	27,413,184	25,840,869
Statutory deposit investment returns	14	837,567	527,829
TOTAL LIABILITIES		555,419,141	633,319,130
INSURANCE OPERATIONS' SURPLUS			
Accumulated surplus		6,596,724	10,221,968
Fair value gain/ (loss) reserve on investments		260,195	(1,454,347)
Accumulated actuarial loss on end-of-service indemnities		(1,902,786)	(1,902,786)
TOTAL LIABILITIES & INSURANCE OPERATIONS' SURPLUS		560,373,274	640,183,965
SHAREHOLDERS' EQUITY			
Share capital	11	250,000,000	250,000,000
Statutory reserve	15	34,224,026	34,224,026
Retained earnings		160,662,605	105,742,042
Fair value gain reserve on investments		3,934,007	7,010,448
TOTAL SHAREHOLDERS' EQUITY		448,820,638	396,976,516
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,009,193,912	1,037,160,481


Abdulaziz Fahd Al Rashed
Board Member


Samer Kanj
Chief Executive Officer


Samer Saad
Finance Manager

The accompanying notes 1 to 20 form part of these interim condensed financial statements.

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

INTERIM CONDENSED STATEMENT OF INCOME (UNAUDITED)

	For the three months period ended		For the nine months period ended	
	30 September 2018 SAR	30 September 2017 SAR	30 September 2018 SAR	30 September 2017 SAR
REVENUES				
Gross written premiums	71,395,010	94,674,751	253,723,956	415,945,179
Reinsurance premiums ceded				
- Local	(1,179,814)	(2,796,464)	(2,299,915)	(5,160,042)
- Foreign	(6,090,001)	(6,641,017)	(22,119,303)	(18,750,794)
Excess of loss premiums				
- Local	(571,834)	(621,556)	(1,262,092)	(1,519,710)
- Foreign	(3,492,932)	(3,888,145)	(10,076,170)	(10,274,985)
Net premiums written	60,060,429	80,727,569	217,966,476	380,239,648
Changes in unearned premiums, net	24,712,038	50,302,722	53,084,546	(26,939,602)
Net premiums earned	84,772,467	131,030,291	271,051,022	353,300,046
Reinsurance commissions	1,249,676	2,542,689	4,938,234	6,110,270
Policy fees and other underwriting income	507,358	3,241,741	7,227,662	13,739,083
TOTAL REVENUES	86,529,501	136,814,721	283,216,918	373,149,399
UNDERWRITING COSTS				
Gross claims paid	(52,443,306)	(59,083,216)	(181,599,577)	(171,892,974)
Reinsurers' share of claims paid	1,130,441	7,378,174	19,647,131	12,224,463
Net claims paid	(51,312,865)	(51,705,042)	(161,952,446)	(159,668,511)
Changes in outstanding claims, net	8,135,614	(2,666,265)	6,098,049	(12,961,282)
Changes in claims incurred but not reported, net	8,482,179	(23,647,305)	15,516,395	(32,081,813)
Net claims incurred	(34,695,072)	(78,018,612)	(140,338,002)	(204,711,606)
Changes in other technical reserves	39,315	-	3,037,483	-
Policy acquisition costs	(6,652,747)	(11,701,316)	(23,592,848)	(33,045,189)
Inspection and supervision fees	(772,833)	(788,575)	(2,153,428)	(3,547,677)
Other underwriting expenses	(1,472,304)	(3,035,341)	(6,777,424)	(8,375,079)
TOTAL UNDERWRITING COSTS	(43,553,641)	(93,543,844)	(169,824,219)	(249,679,551)
NET UNDERWRITING SURPLUS	42,975,860	43,270,877	113,392,699	123,469,848
OTHER OPERATING (EXPENSES)/INCOME				
Allowance for doubtful debts	6	(1,663,280)	(1,044,100)	(6,167,446)
General and administrative expenses	(18,622,713)	(15,272,692)	(52,000,188)	(45,077,615)
Commission income on time deposits and investments	4,337,413	3,674,073	12,458,563	9,820,498
Dividend income	2,174,520	133,286	3,997,005	4,894,991
Realized gain/(loss) on investments	15,915	(140,308)	871,682	701,914
Impairment of available for sale investments	(1,143,169)	(4,206,494)	(1,143,169)	(4,206,494)
Share of (loss)/gain of associate	7(e)	(274,742)	(650,096)	778,906
Other income	191,096	152,524	245,251	359,904
TOTAL OTHER OPERATING (EXPENSES)/INCOME	(14,984,960)	(16,703,711)	(42,388,398)	(35,411,882)
Total income for the period	27,990,900	26,567,166	71,004,301	88,057,966
Total income attributed to the insurance operations	2,531,676	2,579,092	6,596,724	8,280,342
Net income for the period attributable to the shareholders	25,459,224	23,988,074	64,407,577	79,777,624
Earnings per share – Basic and diluted	13	1.02	0.96	2.58
				3.19

Abdulaziz Fahd Al Rashed
Board Member

Samer Kanj
Chief Executive Officer


Samer Saad
Finance Manager

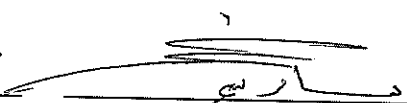
The accompanying notes 1 to 20 form part of these interim condensed financial statements.

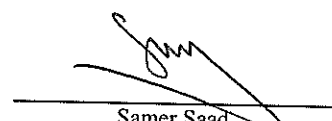
**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	<u>For the three months period ended</u>		<u>For the nine months period ended</u>	
	<u>30 September</u> <u>2018</u> <u>SAR</u>	<u>30 September</u> <u>2017</u> <u>SAR</u>	<u>30 September</u> <u>2018</u> <u>SAR</u>	<u>30 September</u> <u>2017</u> <u>SAR</u>
Total income for the period	27,990,900	26,567,166	71,004,301	88,057,966
Other comprehensive (loss)/income				
<i>Items that will be reclassified to statements of income in subsequent periods</i>				
Available for sale investments:				
- Net amounts transferred to statement of income	(15,915)	140,308	(871,682)	(701,914)
- Net change in fair value	2,557,307	12,044,721	(490,217)	9,820,319
	<u>2,541,392</u>	<u>12,185,029</u>	<u>(1,361,899)</u>	<u>9,118,405</u>
<u>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</u>	<u>30,532,292</u>	<u>38,752,195</u>	<u>69,642,402</u>	<u>97,176,371</u>
Total comprehensive income attributed to the insurance operations	2,709,803	8,491,419	8,311,266	9,329,528
Total comprehensive income for the period attributable to the shareholders	<u>27,822,489</u>	<u>30,260,776</u>	<u>61,331,136</u>	<u>87,846,843</u>


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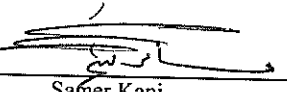
**BURUJ COOPERATIVE INSURANCE COMPANY
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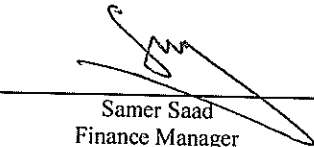
**INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(UNAUDITED)**

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2018

	Share Capital SAR	Statutory Reserve SAR	Retained earnings SAR	Fair value reserve gain/(loss) on investments SAR	Total SAR
2018 (Unaudited)					
Balance as at 1 January 2018	250,000,000	34,224,026	105,742,042	7,010,448	396,976,516
Net income for the period attributable to shareholders	-	-	64,407,577	-	64,407,577
Changes in fair value of available for sale investments	-	-	-	(3,076,441)	(3,076,441)
Total comprehensive income for the period attributable to shareholders	-	-	64,407,577	(3,076,441)	61,331,136
Zakat for the period (Note 10)	-	-	(9,487,014)	-	(9,487,014)
Balance as at 30 September 2018	250,000,000	34,224,026	160,662,605	3,934,007	448,820,638
2017 (Unaudited)					
Balance as at 1 January 2017	250,000,000	14,674,338	50,517,990	(126,861)	315,065,467
Net income for the period attributable to shareholders	-	-	79,777,624	-	79,777,624
Changes in fair value of available for sale investments	-	-	-	8,069,219	8,069,219
Total comprehensive income for the period attributable to shareholders	-	-	79,777,624	8,069,219	87,846,843
Dividends distributed	-	-	(12,500,000)	-	(12,500,000)
Zakat for the period	-	-	(8,093,879)	-	(8,093,879)
Balance as at 30 September 2017	250,000,000	14,674,338	109,701,735	7,942,358	382,318,431


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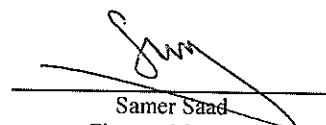
The accompanying notes 1 to 20 form part of these interim condensed financial statements.

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

	For the nine months period ended	
	30 September 2018	30 September 2017
Notes	SAR	SAR
CASH FLOWS FROM OPERATING ACTIVITIES		
Total income for the period	71,004,301	88,057,966
<i>Adjustments for non-cash items:</i>		
Depreciation of property and equipment	925,904	744,787
Allowance for doubtful debts	6,167,446	2,683,986
Provision for end-of-service indemnities	1,841,897	1,509,675
Realized gain from investments	(871,682)	(701,914)
Impairment of available for sale investment	1,143,169	4,206,494
Share of loss/(gain) of associate	650,096	(778,906)
(Gain)/loss on disposal of property and equipment	(52,299)	29,881
<i>Changes in operating assets and liabilities:</i>		
Premiums and reinsurers' receivable	(17,976,460)	(24,329,415)
Reinsurers' share of unearned premiums	(1,503,132)	(1,151,563)
Reinsurers' share of outstanding claims	7,765,705	5,199,023
Reinsurers' share of claims incurred but not reported	(2,469,404)	(9,087,312)
Deferred policy acquisition costs	4,944,762	(2,989,675)
Deferred excess of loss premiums	(2,398,261)	1,512,947
Prepaid expenses and other assets	(8,892,444)	(6,586,152)
Policyholders and accounts payables	5,353,058	5,402,462
Accrued expenses and other liabilities	(8,661,848)	10,042,420
Reinsurers' balances payable	3,482,017	(190,564)
Unearned premiums	(51,581,414)	28,091,165
Unearned reinsurance commission	282,437	594,245
Outstanding claims	(13,863,754)	7,762,259
Claims incurred but not reported	(13,046,991)	41,169,125
Other technical reserves	(3,037,483)	-
End-of-service indemnities paid	(20,794,380)	151,190,934
Insurance surplus paid	(549,961)	(439,930)
Zakat paid	(10,221,968)	-
Net cash (used in)/generated from operating activities	(39,481,008)	145,625,065
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions/disposals in time deposits	7,278,940	(141,114,065)
Additions in investments	(49,116,879)	(74,283,038)
Proceeds from available for sale investments	32,520,296	61,303,311
Additions in property and equipment	(1,923,363)	(1,232,275)
Proceeds from disposal of property and equipment	65,351	-
Net cash used in investing activities	(11,175,655)	(155,326,067)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	-	(12,500,000)
Net cash used in financing activities	-	(12,500,000)
Net change in cash and cash equivalents	(50,656,663)	(22,201,002)
Cash and cash equivalents, beginning of the period	238,876,530	313,411,361
Cash and cash equivalents, end of the period	188,219,867	291,210,359
<i>Non-cash transactions:</i>		
Change in fair value of available for sale investments	(1,361,899)	9,118,405


Abdulaziz Fahd Al Rashed
Board Member


Samer Kanj
Chief Executive Officer


Samer Saad
Finance Manager

The accompanying notes 1 to 20 form part of these interim condensed financial statements.

BURUJ COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED)

30 September 2018

1 GENERAL

Buruj Cooperative Insurance Company (the "Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 1010280606 dated 10 Safar 1431H, corresponding to 26 January 2010. The registered office address of the Company is P.O. Box 51855, Riyadh 11553, Kingdom of Saudi Arabia. The objective of the Company is to transact cooperative insurance business and related activities in the Kingdom of Saudi Arabia. Its principal lines of business include all classes of general insurance. The Company was listed on the Tadawul (the Saudi Arabian Stock Market) on 15 February 2010.

The Company was licensed to conduct insurance business in the Kingdom of Saudi Arabia under cooperative principles in accordance with Royal Decree numbered 72/M dated 28 Shawal 1429H (corresponding to 29 October 2008), pursuant to Council of Ministers resolution numbered 313 dated 27 Shawal 1429H (corresponding to 28 October 2008). On 10 Muharram 1431H (corresponding to 27 December 2009), the Ministry of Commerce and Industry issued a resolution declaring the incorporation of the Company.

On 15 Jumada Thani 1431H (corresponding to 29 May 2010), the Saudi Arabian Monetary Authority ("SAMA") issued a formal approval to transact insurance business.

The Company launched its insurance operations on 1 July 2010 after receipt of an authorisation from SAMA to commence insurance operations as product approval and related formalities were completed.

The Company is required to distribute 10% of the net surplus from insurance operations to policyholders and the remaining 90% to the shareholders of the Company in accordance with the Insurance Law and Implementation Regulations issued by SAMA. Any deficit arising on insurance operations is transferred to the shareholders' operations in full.

2 BASIS OF PREPARATION

(a) Basis of presentation

The interim condensed financial statements for the three and nine month periods ended 30 September 2018 (the "period") have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" as modified by the Saudi Arabian Monetary Authority ("SAMA") for the accounting of zakat and income tax, which requires adoption of IFRS 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 April 11, 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 separately quarter basis through shareholders equity under retained earnings.

The interim condensed financial statements have been prepared under the going concern basis and the historical cost basis except for the measurement at fair value of "available for sale investments" and investment in associate which is accounted for under the equity method.

The interim condensed statement of financial position, statements of income and statement of comprehensive income and cash flows of the insurance operations and shareholders operations which are presented in Note 18 have been provided as supplementary financial information and to comply with the requirements of the guidelines issued by SAMA implementing regulations. SAMA implementing regulations requires the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders operations.

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
30 September 2018

2 BASIS OF PREPARATION (continued)

(a) Basis of presentation (continued)

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

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2017.

These interim condensed financial statements are expressed in Saudi Arabian Riyals (SAR).

(b) Critical accounting judgments, estimates and assumptions

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty including the risk management policies were the same as those that applied to the annual financial statements as at and for the year ended December 31, 2017.

3 SIGNIFICANT ACCOUNTING POLICIES AND NEW STANDARDS ISSUED BUT NOT YET EFFECTIVE

Significant accounting policies

The significant accounting and risk management policies adopted in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2017.

New standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's interim financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

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

However, on 19 November 2013, the IASB issued IFRS 9 Financial Instruments (Hedge Accounting and amendments to IFRS 9) amending IFRS 9 to include the new general hedge accounting model. In its February 2014 meeting, the IASB decided that IFRS 9 would be mandatorily effective for annual reporting periods beginning on or after 1 January 2018 with an optional temporary exception to defer the application of IFRS 9 till 1 January 2021 for companies whose activities are predominantly connected with insurance.

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
30 September 2018

3 SIGNIFICANT ACCOUNTING POLICIES AND NEW STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

IFRS 17 Insurance Contracts

The IASB issued IFRS 17 in May 2017. IFRS 17 will be mandatorily effective for annual reporting periods beginning on or after 1 January 2021. Once effective, IFRS 17 replaces IFRS 4 Insurance Contracts that was issued in 2005. The overall objective of IFRS 17 is to provide a more useful and consistent accounting model for insurance contracts among entities issuing insurance contracts globally.

4 CASH AND CASH EQUIVALENTS

	<u>30 September 2018 (Unaudited)</u>		<u>31 December 2017 (Audited)</u>	
	<u>Insurance operations SAR</u>	<u>Shareholders' operations SAR</u>	<u>Insurance operations SAR</u>	<u>Shareholders' operations SAR</u>
Bank balances and cash	123,174,689	39,825,950	129,470,790	28,655,320
Deposits maturing within 3 months from the acquisition date	25,219,228	-	65,000,000	15,750,420
Total	<u><u>148,393,917</u></u>	<u><u>39,825,950</u></u>	<u><u>194,470,790</u></u>	<u><u>44,405,740</u></u>

Deposits maturing within 3 months from the acquisition date are placed with local banks and financial institutions and earns special commission income at an average rate of 2.36% per annum (31 December 2017: 2.13% per annum).

The carrying amounts disclosed above reasonably approximate their fair values at the reporting date.

5 TIME DEPOSITS

Time deposits are placed with local banks and financial institutions with an original maturity of more than three months from the date of acquisition and earns special commission income at an average rate of 2.75% per annum (31 December 2017: 2.79% per annum).

The carrying amounts of the time deposits reasonably approximate their fair values at the reporting date.

**BURUJ COOPERATIVE INSURANCE COMPANY
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6 PREMIUMS AND REINSURERS' RECEIVABLE, NET

Premiums and reinsurers' receivable are comprised of the following:

	30 September 2018 (Unaudited) SAR	31 December 2017 (Audited) SAR
Policyholders	68,188,571	44,855,075
<i>Less: Allowance for doubtful debts</i>	<i>(22,480,546)</i>	<i>(17,351,691)</i>
	<u>45,708,025</u>	<u>27,503,384</u>
Reinsurers' receivables	7,534,215	12,891,251
<i>Less: Allowance for doubtful debts</i>	<i>(1,556,339)</i>	<i>(517,748)</i>
	<u>5,977,876</u>	<u>12,373,503</u>
Total premiums and reinsurers' receivable, net	<u><u>51,685,901</u></u>	<u><u>39,876,887</u></u>

The movement in allowance for doubtful policyholders' and reinsurance balances for the period/year is set out below:

30 September 2018 (Unaudited)	Policyholders SAR	Reinsurers SAR	Total SAR
Beginning balance	17,351,691	517,748	17,869,439
Charge for the period	5,128,855	1,038,591	6,167,446
<i>Closing balance</i>	<u><u>22,480,546</u></u>	<u><u>1,556,339</u></u>	<u><u>24,036,885</u></u>

31 December 2017 (Audited)	Policyholders SAR	Reinsurers SAR	Total SAR
Beginning balance	17,100,342	761,611	17,861,953
Charge/(reversal) for the year	251,349	(130,301)	121,048
Written-off	-	(113,562)	(113,562)
<i>Closing balance</i>	<u><u>17,351,691</u></u>	<u><u>517,748</u></u>	<u><u>17,869,439</u></u>

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7 INVESTMENTS

(a) Investments are classified as follows:

	30 September 2018 (Unaudited)		31 December 2017 (Audited)	
	Insurance Operations SAR	Shareholders' Operations SAR	Insurance Operations SAR	Shareholders' Operations SAR
Available for sale	32,194,058	142,247,865	41,401,450	118,077,276
Held to maturity	-	10,000,000	-	10,000,000
Total	32,194,058	152,247,865	41,401,450	128,077,276

(b) The movement during the period/year in the investments is as follows:

	30 September 2018 (Unaudited)		31 December 2017 (Audited)	
	Insurance Operations SAR	Shareholders' Operations SAR	Insurance Operations SAR	Shareholders' Operations SAR
Opening balance	41,401,450	128,077,276	42,692,814	101,538,840
Purchases	5,018,693	44,098,186	33,647,942	57,648,967
Disposals	(16,002,836)	(16,517,460)	(33,360,120)	(37,127,040)
Impairment of investments	(1,143,169)	-	(4,206,494)	-
	29,274,138	155,658,002	38,774,142	122,060,767
Changes in fair value of investments	2,919,920	(3,410,137)	2,627,308	6,016,509
Closing balance	32,194,058	152,247,865	41,401,450	128,077,276

(c) Available for sale investments comprises the following:

	30 September 2018 (Unaudited)		31 December 2017 (Audited)	
	Insurance Operations SAR	Shareholders' Operations SAR	Insurance Operations SAR	Shareholders' Operations SAR
Quoted local "DPM" equity securities	23,557,158	-	21,134,185	-
Units in local investment funds - (NAV)*	8,636,900	62,664,745	20,267,265	55,985,663
Quoted fixed income securities	-	65,526,200	-	60,168,535
Units in quoted local real estate funds	-	12,133,842	-	-
Unquoted local equity investment	-	1,923,078	-	1,923,078
Total available for sale investments	32,194,058	142,247,865	41,401,450	118,077,276

* NAV: Net Asset Value as announced by asset manager.

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(UNAUDITED) (continued)

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7 INVESTMENTS (continued)

Held to maturity

- (d) Held to Maturity (“HTM”) investments amounting to SR 10,000,000 (31 December 2017: SR 10,000,000) are comprised of non-quoted Sukuk issued by listed companies registered in the Kingdom of Saudi Arabia. The rate of return on the Sukuk are calculated based on 6-months Saudi Arabian Inter-Bank Offered Rate (“SIBOR”) plus a specified margin basis points per annum for each Sukuk and paid semi-annually. The fair value of the HTM investment as at 30 September 2018 was not different from its carrying value.

Investment in associate

- (e) The Company has a 40% interest in Gulf Warranties Insurance Services Company (the “associate”), which is involved in the administration of insurance claims. The associate is a limited liability company in the Kingdom of Saudi Arabia and is not listed on any public exchange. The associate received its operating license from Saudi Arabian Monetary Agency (“SAMA”) on 21 March 2016. The Company although has significant influence, yet this investment has been accounted as an associate as it does not control or jointly control the financial and operating policies of the associate. These interim condensed financial statements include the management accounts of the associate for the period ended 30 September 2018.

8 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction takes place either:

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

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

Determination of fair value and 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.

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(UNAUDITED) (continued)

30 September 2018

8 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

<u>30 September 2018 (Unaudited)</u>	<u>Level 1 SAR</u>	<u>Level 2 SAR</u>	<u>Level 3 SAR</u>	<u>Total SAR</u>
Available for sale				
- Equities	23,557,158	-	1,923,078	25,480,236
- Fixed income securities	65,526,200	-	-	65,526,200
- Investment and real estate funds	12,133,842	71,301,645	-	83,435,487
Held to maturity	-	-	10,000,000	10,000,000
	<u>101,217,200</u>	<u>71,301,645</u>	<u>11,923,078</u>	<u>184,441,923</u>
 <u>31 December 2017 (Audited)</u>				
Available for sale				
- Equities	21,134,185	-	1,923,078	23,057,263
- Fixed income securities	60,168,535	-	-	60,168,535
- Investment and real estate funds	20,931,345	55,321,583	-	76,252,928
Held to maturity	-	-	10,000,000	10,000,000
	<u>102,234,065</u>	<u>55,321,583</u>	<u>11,923,078</u>	<u>169,478,726</u>

Transfers between levels

The following table presents the transfers between levels for the period ended 30 September 2018:

<u>30 September 2018 (Unaudited)</u>	<u>Level 1 SAR</u>	<u>Level 2 SAR</u>	<u>Level 3 SAR</u>
Transfers between Levels 1 and 2:			
Units in real estate funds	12,372,053	(12,372,053)	-

The units in real estate funds were transferred into Level 1 because quoted prices exist on 31 March 2018, however this was not available as at 31 December 2017.

During the nine months period ended 30 September 2018, there were no transfers into or out of Level 3 fair value measurements.

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(UNAUDITED) (continued)

30 September 2018

9 TECHNICAL RESERVES

(a) MOVEMENT IN UNEARNED PREMIUMS

	30 September 2018 (Unaudited)			31 December 2017 (Audited)		
	Gross SAR	Reinsurers' share SAR	Net SAR	Gross SAR	Reinsurers' share SAR	Net SAR
Beginning balance	203,643,613	(10,763,509)	192,880,104	204,001,357	(13,011,258)	190,990,099
Premiums written during the period/year	253,723,956	(35,757,480)	217,966,476	511,508,751	(47,399,301)	464,109,450
Premiums earned during the period/year	(305,305,370)	34,254,348	(271,051,022)	(511,866,495)	49,647,050	(462,219,445)
Closing balance	<u>152,062,199</u>	<u>(12,266,641)</u>	<u>139,795,558</u>	<u>203,643,613</u>	<u>(10,763,509)</u>	<u>192,880,104</u>

(b) NET OUTSTANDING CLAIMS AND RESERVES

Net outstanding claims and reserves comprise of the following:

	30 September 2018 (Unaudited) SAR	31 December 2017 (Audited) SAR
Outstanding claims	171,332,255	185,196,009
Claims incurred but not reported	116,001,478	129,048,469
Other technical reserves	9,295,376	12,332,859
	<u>296,629,109</u>	<u>326,577,337</u>
Less:		
Reinsurers' share of outstanding claims	(69,116,555)	(76,882,260)
Reinsurers' share of claims incurred but not reported	(27,047,320)	(24,577,916)
	<u>(96,163,875)</u>	<u>(101,460,176)</u>
Net outstanding claims and other reserves	<u>200,465,234</u>	<u>225,117,161</u>

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(UNAUDITED) (continued)

30 September 2018

10 ZAKAT PAYABLE

The movement in provision during the period/year is set out below:

	30 September 2018 (Unaudited) SAR	31 December 2017 (Audited) SAR
At the beginning of the period/year	25,840,869	20,492,110
Provided for the period/year	9,487,014	10,474,699
Paid during the period/year	(7,914,699)	(5,125,940)
At the end of the period/year	27,413,184	25,840,869

Status of assessments

The Company has filed zakat returns with the General Authority of Zakat and Tax ("GAZT") for the years from 2010 to 2017.

On review of the zakat return by GAZT for the long period ended 31 December 2010, a demand of SR 2,256,659 was raised by the GAZT. The Company paid this demand and filed an appeal with GAZT. During 2014, GAZT revised its assessment of the zakat return for the long period ended 31 December 2010 after taking into consideration the effect of portfolio transfer and raised an additional demand of SR 64,738. The Company paid this demand. The final assessment has not yet been carried out by the GAZT.

On review of the zakat return by the GAZT for the year 2011, a demand of SR 2,378,604 has been raised by the GAZT. The Company paid this demand and filed an appeal with GAZT. The final assessments have not yet been carried out by the GAZT.

On review of the zakat return by the GAZT for the year 2012, a demand of SR 1,979,521 has been raised by the GAZT. The Company paid this demand and filed an appeal with GAZT. The final assessments have not yet been carried out by the GAZT.

On review of the zakat return by the GAZT for the years 2013 and 2014 a demand of SR 2,885,577 and SR 2,885,577 respectively, have been raised by the GAZT. However, the Company has filed appeals with the GAZT. These appeals are in progress. The final assessments have not yet been carried out by the GAZT.

No assessments have been received out yet from the GAZT for the years 2015, 2016 and 2017.

11 SHARE CAPITAL

The authorized, issued and paid up share capital of the Company was SAR 250 Million at September 30, 2018 (December 31, 2017: SAR 250 Million) consisting of 25 million shares (December 31, 2017: 25 million shares) of SAR 10 each.

The Company's Board of Directors recommended on June 4, 2018 to the Extraordinary General Assembly Meeting to increase share capital of the Company by issuing 5 million bonus shares. The Company obtained the Capital Market Authority approval on August 9, 2018. However, the issuance of these bonus shares is still subject to approval by the Extraordinary General Assembly.

The shareholders of the Company are subject to 100% Zakat.

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(UNAUDITED) (continued)

30 September 2018

12 CAPITAL MANAGEMENT

Objectives are set by the Company to maintain healthy capital ratios in order to support its business objectives and maximize shareholders' value.

The Company manages its capital requirements by assessing shortfalls between reported and required capital levels on a regular basis. Adjustments to current capital levels are made in light of changes in market conditions and risk characteristics of the Company's activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue shares.

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

13 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share for the period have been calculated by dividing the net income for the period by the number of issued and outstanding shares at the period end of 25 million shares.

14 STATUTORY DEPOSIT

Statutory deposit represents 10% of the paid up capital of the Company which is maintained with a bank designated by SAMA in accordance with the Cooperative Insurance Companies Control Law for insurance companies. This statutory deposit cannot be withdrawn without the consent of SAMA.

Accrued interest on the statutory deposit amounting to SR 837,567 (31 December 2017: SR 527,829) has been presented in the statement of financial position.

15 STATUTORY RESERVE

In accordance with the Company's By-laws and in compliance with Article 70 (2) of the Insurance Implementing Regulations of SAMA, the Company allocates 20% of net shareholders' income each year to the statutory reserve until this reserve equals to 100% of the paid capital. The statutory reserve is not available for distribution to shareholders until liquidation of the Company.

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30 September 2018

16 RELATED PARTY TRANSACTIONS AND BALANCES

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

<i>Related party</i>	<i>Nature of transactions</i>	<u>Transactions for the period ended</u>		<u>Balance as at</u>	
		30 September 2018 (Unaudited) SAR	30 September 2017 (Unaudited) SAR	30 September 2018 (Unaudited) SAR	31 December 2017 (Audited) SAR
Major Shareholders	Gross written premiums	4,047,114	10,658,256	4,022,488	12,500,723
	Reinsurance premium ceded	(2,595,551)	(2,618,135)	(1,286,128)	(1,164,406)
Board of Directors and committees' members	Remuneration fees, allowances and other expense	(1,165,887)	(1,076,500)	(1,588,071)	(1,841,571)
	Gross written premiums	13,725,425	13,966,253	9,094,005	4,315,317
	Insurance brokerage contracts	(2,069,725)	(2,205,598)	(1,948,799)	(1,556,714)
Associate	General and administrative expenses paid on behalf of the associate	-	-	844,638	844,638

Balances in respect of the above transactions with related parties are included in the relevant accounts in the statements of financial position and statement of income.

The compensation of key management personnel during the nine months period is as follows:

	30 September 2018 (Unaudited) SAR	30 September 2017 (Unaudited) SAR
Salaries and other allowances	4,911,190	4,645,417
End of service indemnities	290,910	339,177
	5,202,100	4,984,594

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (continued)

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17 OPERATING SEGMENTS

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 as stated below.

Segment results do not include general and administrative expenses, allowance for doubtful debts, income on term deposits and investments, gain or loss on property, plant and equipment and investments. Accordingly, they are included in unallocated expenses or income.

Segment assets do not include insurance operations' property and equipment, investments, prepayments and other assets, premiums and reinsurance balances receivable, cash and cash equivalents and time deposits. Accordingly they are included in unallocated assets. Segment liabilities do not include insurance operations' due to shareholders operations, employees' end-of-service benefits, and reinsurance and insurance balances payable, accrued expenses and other liabilities and insurance operations' surplus. Accordingly they are included in unallocated liabilities.

For the three month period ended 30 September 2018 (Unaudited)	Motor SAR	Medical SAR	Property & Casualty SAR	Total SAR
REVENUES				
Gross written premiums	42,425,407	19,374,390	9,595,213	71,395,010
Reinsurance premiums ceded				
- Local	-	-	(1,179,814)	(1,179,814)
- Foreign	-	-	(6,090,001)	(6,090,001)
Excess of loss premiums				
- Local	(426,071)	(52,500)	(93,263)	(571,834)
- Foreign	(2,447,596)	(472,499)	(572,837)	(3,492,932)
Net premiums written	39,551,740	18,849,391	1,659,298	60,060,429
Change in unearned premiums, net	19,037,891	4,814,384	859,763	24,712,038
Net premiums earned	58,589,631	23,663,775	2,519,061	84,772,467
Reinsurance commissions	-	-	1,249,676	1,249,676
Policy fees and other underwriting income	453,593	-	53,765	507,358
TOTAL REVENUES	59,043,224	23,663,775	3,822,502	86,529,501
UNDERWRITING COSTS				
Gross claims paid and loss adjustment expenses	(34,252,198)	(18,630,025)	438,917	(52,443,306)
Reinsurers' share of claims paid	685,497	724,172	(279,228)	1,130,441
Net claims paid	(33,566,701)	(17,905,853)	159,689	(51,312,865)
Changes in outstanding claims, net	5,342,650	2,897,553	(104,589)	8,135,614
Changes in IBNR, net	1,640,543	6,798,645	42,991	8,482,179
Net claims incurred	(26,583,508)	(8,209,655)	98,091	(34,695,072)
Changes in other technical reserves	51,073	-	(11,758)	39,315
Policy acquisition costs	(3,633,275)	(2,344,543)	(674,929)	(6,652,747)
Inspection and supervision fees	(210,230)	(290,353)	(272,250)	(772,833)
Other underwriting expenses	(152,866)	(1,304,438)	(15,000)	(1,472,304)
TOTAL UNDERWRITING COSTS	(30,528,806)	(12,148,989)	(875,846)	(43,553,641)
NET UNDERWRITING SURPLUS	28,514,418	11,514,786	2,946,656	42,975,860
Unallocated other operating expenses				(19,850,957)
Unallocated investment and other income				2,191,858
NET SURPLUS FROM INSURANCE OPERATIONS				25,316,761

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(UNAUDITED) (continued)

30 September 2018

17 OPERATING SEGMENTS (continued)

For the three month period ended 30 September 2017 (Unaudited)	Motor SAR	Medical SAR	Property & Casualty SAR	Total SAR
REVENUES				
Gross written premiums	47,975,392	33,229,175	13,470,184	94,674,751
Reinsurance premiums ceded				
- Local	-	-	(2,796,464)	(2,796,464)
- Foreign	-	-	(6,641,017)	(6,641,017)
Excess of loss premiums				
- Local	(532,757)	-	(88,799)	(621,556)
- Foreign	(3,123,169)	(202,500)	(562,476)	(3,888,145)
Net premiums written	44,319,466	33,026,675	3,381,428	80,727,569
Change in unearned premiums, net	27,021,223	23,495,508	(214,009)	50,302,722
Net premiums earned	71,340,689	56,522,183	3,167,419	131,030,291
Reinsurance commissions	-	-	2,542,689	2,542,689
Policy fees and other underwriting income	3,171,001	-	70,740	3,241,741
TOTAL REVENUES	74,511,690	56,522,183	5,780,848	136,814,721
UNDERWRITING COSTS				
Gross claims paid and loss adjustment expenses	(38,643,003)	(17,567,204)	(2,873,009)	(59,083,216)
Reinsurers' share of claims paid	3,061,995	2,455,781	1,860,398	7,378,174
Net claims paid	(35,581,008)	(15,111,423)	(1,012,611)	(51,705,042)
Changes in outstanding claims, net	(1,411,357)	(1,080,785)	(174,123)	(2,666,265)
Changes in IBNR, net	(6,408,059)	(16,448,605)	(790,641)	(23,647,305)
Net claims incurred	(43,400,424)	(32,640,813)	(1,977,375)	(78,018,612)
Policy acquisition costs	(5,360,798)	(5,548,749)	(791,769)	(11,701,316)
Inspection and supervision fees	(237,213)	(498,438)	(52,924)	(788,575)
Other underwriting expenses	(154,127)	(2,881,214)	-	(3,035,341)
TOTAL UNDERWRITING COSTS	(49,152,562)	(41,569,214)	(2,822,068)	(93,543,844)
NET UNDERWRITING SURPLUS	25,359,128	14,952,969	2,958,780	43,270,877
Unallocated other operating expenses				(15,813,003)
Unallocated investment and other income				(1,666,959)
NET SURPLUS FROM INSURANCE OPERATIONS				25,790,915

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(UNAUDITED) (continued)

30 September 2018

17 OPERATING SEGMENTS (continued)

For the nine month period ended 30 September 2018 (Unaudited)	Motor SAR	Medical SAR	Property & Casualty SAR	Total SAR
REVENUES				
Gross written premiums	154,461,435	65,284,245	33,978,276	253,723,956
Reinsurance premiums ceded				
- Local	-	-	(2,299,915)	(2,299,915)
- Foreign	-	-	(22,119,303)	(22,119,303)
Excess of loss premiums				
- Local	(788,219)	(194,085)	(279,788)	(1,262,092)
- Foreign	(4,499,770)	(3,517,230)	(2,059,170)	(10,076,170)
Net premiums written	149,173,446	61,572,930	7,220,100	217,966,476
Change in unearned premiums, net	20,297,175	31,800,112	987,259	53,084,546
Net premiums earned	169,470,621	93,373,042	8,207,359	271,051,022
Reinsurance commissions	-	-	4,938,234	4,938,234
Policy fees and other underwriting income	7,026,699	-	200,963	7,227,662
TOTAL REVENUES	176,497,320	93,373,042	13,346,556	283,216,918
UNDERWRITING COSTS				
Gross claims paid and loss adjustment expenses	(105,111,513)	(68,869,092)	(7,618,972)	(181,599,577)
Reinsurers' share of claims paid	5,560,897	7,239,067	6,847,167	19,647,131
Net claims paid	(99,550,616)	(61,630,025)	(771,805)	(161,952,446)
Changes in outstanding claims, net	(5,038,970)	11,323,215	(186,196)	6,098,049
Changes in IBNR, net	(1,302,822)	17,248,628	(429,411)	15,516,395
Net claims incurred	(105,892,408)	(33,058,182)	(1,387,412)	(140,338,002)
Changes in other technical reserves	3,902,847	-	(865,364)	3,037,483
Policy acquisition costs	(11,922,288)	(9,493,372)	(2,177,188)	(23,592,848)
Inspection and supervision fees	(768,599)	(978,293)	(406,536)	(2,153,428)
Other underwriting expenses	(579,269)	(6,183,155)	(15,000)	(6,777,424)
TOTAL UNDERWRITING COSTS	(115,259,717)	(49,713,002)	(4,851,500)	(169,824,219)
NET UNDERWRITING SURPLUS	61,237,603	43,660,040	8,495,056	113,392,699
Unallocated other operating expenses				(56,395,775)
Unallocated investment and other income				8,970,316
NET SURPLUS FROM INSURANCE OPERATIONS				65,967,240

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(UNAUDITED) (continued)

30 September 2018

17 OPERATING SEGMENTS (continued)

For the nine month period ended 30 September 2017 (Unaudited)	Motor SAR	Medical SAR	Property & Casualty SAR	Total SAR
REVENUES				
Gross written premiums	228,909,201	150,135,124	36,900,854	415,945,179
Reinsurance premiums ceded				
- Local	-	-	(5,160,042)	(5,160,042)
- Foreign	-	-	(18,750,794)	(18,750,794)
Excess of loss premiums				
- Local	(1,228,819)	-	(290,891)	(1,519,710)
- Foreign	(7,227,544)	(1,384,504)	(1,662,937)	(10,274,985)
Net premiums written	220,452,838	148,750,620	11,036,190	380,239,648
Change in unearned premiums, net	(14,033,856)	(10,853,470)	(2,052,276)	(26,939,602)
Net premiums earned	206,418,982	137,897,150	8,983,914	353,300,046
Reinsurance commissions	-	-	6,110,270	6,110,270
Policy fees and other underwriting income	13,504,208	-	234,875	13,739,083
TOTAL REVENUES	219,923,190	137,897,150	15,329,059	373,149,399
UNDERWRITING COSTS				
Gross claims paid and loss adjustment expenses	(121,692,666)	(42,776,650)	(7,423,658)	(171,892,974)
Reinsurers' share of claims paid	3,260,977	3,697,547	5,265,939	12,224,463
Net claims paid	(118,431,689)	(39,079,103)	(2,157,719)	(159,668,511)
Changes in outstanding claims, net	(4,238,454)	(6,053,944)	(2,668,884)	(12,961,282)
Changes in IBNR, net	(10,595,949)	(19,696,008)	(1,789,856)	(32,081,813)
Net claims incurred	(133,266,092)	(64,829,055)	(6,616,459)	(204,711,606)
Policy acquisition costs	(16,396,622)	(14,327,259)	(2,321,308)	(33,045,189)
Inspection and supervision fees	(1,138,402)	(2,252,027)	(157,248)	(3,547,677)
Other underwriting expenses	(757,405)	(7,613,310)	(4,364)	(8,375,079)
TOTAL UNDERWRITING COSTS	(151,558,521)	(89,021,651)	(9,099,379)	(249,679,551)
NET UNDERWRITING SURPLUS	68,364,669	48,875,499	6,229,680	123,469,848
Unallocated other operating expenses				(46,069,207)
Unallocated investment and other income				5,402,777
NET SURPLUS FROM INSURANCE OPERATIONS				82,803,418

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (continued)

30 September 2018

17 OPERATING SEGMENTS (continued)

As at 30 September 2018 (Unaudited)	Motor SAR	Medical SAR	Property & Casualty SAR	Total Insurance Operations SAR
Assets				
Reinsurers' share of unearned premiums	-	-	12,266,641	12,266,641
Reinsurers' share of outstanding claims	12,468,502	1,409,149	55,238,904	69,116,555
Reinsurers' share of claims incurred but not reported	4,385,555	2,526,323	20,135,442	27,047,320
Deferred policy acquisition costs	5,888,569	3,596,551	1,477,249	10,962,369
Deferred excess of loss premiums	1,207,157	525,000	666,104	2,398,261
Total Segment assets	23,949,783	8,057,023	89,784,340	121,791,146
Unallocated assets				571,967,748
Total insurance operations assets				693,758,894
LIABILITIES				
Unearned premiums	94,062,419	37,179,014	20,820,766	152,062,199
Unearned reinsurance commission	-	-	1,995,977	1,995,977
Outstanding claims	89,929,866	12,454,749	68,947,640	171,332,255
Claims incurred but not reported	65,664,137	24,334,500	26,002,841	116,001,478
Other technical reserves	2,484,347	1,676,443	5,134,586	9,295,376
Total Segment liabilities	252,140,769	75,644,706	122,901,810	450,687,285
Unallocated liabilities				243,071,609
Total insurance operations liabilities				693,758,894
<hr/>				
As at 31 December 2017 (Audited)	Motor SAR	Medical SAR	Property & Casualty SAR	Total Insurance Operations SAR
Assets				
Reinsurers' share of unearned premiums	-	-	10,763,509	10,763,509
Reinsurers' share of outstanding claims	11,445,435	3,109,863	62,326,962	76,882,260
Reinsurers' share of claims incurred but not reported	7,392,748	45,354	17,139,814	24,577,916
Deferred policy acquisition costs	7,615,946	6,721,244	1,569,941	15,907,131
Total Segment assets	26,454,129	9,876,461	91,800,226	128,130,816
Unallocated assets				627,677,269
Total insurance operations assets				755,808,085
LIABILITIES				
Unearned premiums	114,359,594	68,979,126	20,304,893	203,643,613
Unearned reinsurance commission	-	-	1,713,540	1,713,540
Outstanding claims	83,867,829	25,478,678	75,849,502	185,196,009
Claims incurred but not reported	67,368,508	39,102,159	22,577,802	129,048,469
Other technical reserves	6,387,194	1,676,443	4,269,222	12,332,859
Total Segment liabilities	271,983,125	135,236,406	124,714,959	531,934,490
Unallocated liabilities				223,873,595
Total insurance operations liabilities				755,808,085

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
30 September 2018

18 SUPPLEMENTARY INFORMATION

Interim Condensed Statement of Financial Position	As at 30 September 2018 (Unaudited)		
	Insurance operations	Shareholders' operations	Total
ASSETS			
Cash and cash equivalents	148,393,917	39,825,950	188,219,867
Time deposits	312,028,743	93,883,143	405,911,886
Premiums and reinsurers' receivable, net	51,685,901	-	51,685,901
Reinsurers' share of unearned premiums	12,266,641	-	12,266,641
Reinsurers' share of outstanding claims	69,116,555	-	69,116,555
Reinsurers' share of claims incurred but not reported	27,047,320	-	27,047,320
Deferred policy acquisition costs	10,962,369	-	10,962,369
Deferred excess of loss premiums	2,398,261	-	2,398,261
Investments	32,194,058	152,247,865	184,441,923
Due from insurance operations	-	163,466,866	163,466,866
Prepaid expenses and other assets	23,378,558	3,070,201	26,448,759
Property and equipment, net	4,286,571	-	4,286,571
Investment in associate	-	570,292	570,292
Statutory deposit	-	25,000,000	25,000,000
Statutory deposit investment returns	-	837,567	837,567
TOTAL ASSETS	693,758,894	478,901,884	1,172,660,778
LIABILITIES			
Policyholders and accounts payables	35,654,173	-	35,654,173
Accrued expenses and other liabilities	22,476,831	1,830,495	24,307,326
Reinsurers' balances payable	6,315,106	-	6,315,106
Unearned premiums	152,062,199	-	152,062,199
Unearned reinsurance commission	1,995,977	-	1,995,977
Outstanding claims	171,332,255	-	171,332,255
Claims incurred but not reported	116,001,478	-	116,001,478
Other technical reserves	9,295,376	-	9,295,376
Due to shareholders' operations	163,466,866	-	163,466,866
End-of-service indemnities	10,204,500	-	10,204,500
Zakat payable	-	27,413,184	27,413,184
Statutory deposit investment returns	-	837,567	837,567
TOTAL LIABILITIES	688,804,761	30,081,246	718,886,007
INSURANCE OPERATIONS' SURPLUS			
Accumulated surplus	6,596,724	-	6,596,724
Fair value gain reserve on investments	260,195	-	260,195
Accumulated actuarial loss on end-of-service indemnities	(1,902,786)	-	(1,902,786)
TOTAL LIABILITIES & INSURANCE OPERATIONS' SURPLUS	693,758,894	30,081,246	723,840,140
SHAREHOLDERS' EQUITY			
Share capital	-	250,000,000	250,000,000
Statutory reserve	-	34,224,026	34,224,026
Retained earnings	-	160,662,605	160,662,605
Fair value reserve gain on investments	-	3,934,007	3,934,007
TOTAL SHAREHOLDERS' EQUITY	-	448,820,638	448,820,638
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	693,758,894	478,901,884	1,172,660,778

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (Continued)

30 September 2018

18 SUPPLEMENTARY INFORMATION (continued)

Statement of Financial Position

As at 31 December 2017 (Audited)

	Insurance operations	Shareholders' operations	Total
ASSETS			
Cash and cash equivalents	194,470,790	44,405,740	238,876,530
Time deposits	333,373,598	79,817,228	413,190,826
Premiums and reinsurers' receivable, net	39,876,887	-	39,876,887
Reinsurers' share of unearned premiums	10,763,509	-	10,763,509
Reinsurers' share of outstanding claims	76,882,260	-	76,882,260
Reinsurers' share of claims incurred but not reported	24,577,916	-	24,577,916
Deferred policy acquisition costs	15,907,131	-	15,907,131
Investments	41,401,450	128,077,276	169,478,726
Due from insurance operations	-	144,367,831	144,367,831
Prepaid expenses and other assets	15,252,380	2,303,935	17,556,315
Property and equipment, net	3,302,164	-	3,302,164
Investment in associate	-	1,220,388	1,220,388
Statutory deposit	-	25,000,000	25,000,000
Statutory deposit investment returns	-	527,829	527,829
TOTAL ASSETS	755,808,085	425,720,227	1,181,528,312
LIABILITIES			
Policyholders and accounts payables	30,301,115	-	30,301,115
Accrued expenses and other liabilities	30,594,161	2,375,013	32,969,174
Reinsurers' balances payable	2,833,089	-	2,833,089
Unearned premiums	203,643,613	-	203,643,613
Unearned reinsurance commission	1,713,540	-	1,713,540
Outstanding claims	185,196,009	-	185,196,009
Claims incurred but not reported	129,048,469	-	129,048,469
Other technical reserves	12,332,859	-	12,332,859
Due to shareholders' operations	144,367,831	-	144,367,831
End-of-service indemnities	8,912,564	-	8,912,564
Zakat payable	-	25,840,869	25,840,869
Statutory deposit investment returns	-	527,829	527,829
TOTAL LIABILITIES	748,943,250	28,743,711	777,686,961
INSURANCE OPERATIONS' SURPLUS			
Accumulated surplus	10,221,968	-	10,221,968
Fair value loss reserve on investments	(1,454,347)	-	(1,454,347)
Accumulated actuarial loss on end-of-service indemnities	(1,902,786)	-	(1,902,786)
TOTAL LIABILITIES & INSURANCE OPERATIONS' SURPLUS	755,808,085	28,743,711	784,551,796
SHAREHOLDERS' EQUITY			
Share capital	-	250,000,000	250,000,000
Statutory reserve	-	34,224,026	34,224,026
Retained earnings	-	105,742,042	105,742,042
Fair value reserve gain on investments	-	7,010,448	7,010,448
TOTAL SHAREHOLDERS' EQUITY	-	396,976,516	396,976,516
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	755,808,085	425,720,227	1,181,528,312

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (Continued)

30 September 2018

18 SUPPLEMENTARY INFORMATION (continued)

Interim Condensed Statement of Income (Unaudited)	For the three month period ended 30 September 2018			For the three month period ended 30 September 2017		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
	SAR	SAR	SAR	SAR	SAR	SAR
REVENUES						
Gross written premiums	71,395,010	-	71,395,010	94,674,751	-	94,674,751
Reinsurance premiums ceded	(7,269,815)	-	(7,269,815)	(9,437,481)	-	(9,437,481)
Excess of loss premiums	(4,064,766)	-	(4,064,766)	(4,509,701)	-	(4,509,701)
Net premiums written	60,060,429	-	60,060,429	80,727,569	-	80,727,569
Changes in unearned premiums, net	24,712,038	-	24,712,038	50,302,722	-	50,302,722
Net premiums earned	84,772,467	-	84,772,467	131,030,291	-	131,030,291
Reinsurance commissions	1,249,676	-	1,249,676	2,542,689	-	2,542,689
Policy fees and other underwriting income	507,358	-	507,358	3,241,741	-	3,241,741
TOTAL REVENUES	86,529,501	-	86,529,501	136,814,721	-	136,814,721
UNDERWRITING COSTS						
Gross claims paid	(52,443,306)	-	(52,443,306)	(59,083,216)	-	(59,083,216)
Reinsurers' share of claims paid	1,130,441	-	1,130,441	7,378,174	-	7,378,174
Net claims paid	(51,312,865)	-	(51,312,865)	(51,705,042)	-	(51,705,042)
Changes in outstanding claims, net	8,135,614	-	8,135,614	(2,666,265)	-	(2,666,265)
Changes in claims incurred but not reported, net	8,482,179	-	8,482,179	(23,647,305)	-	(23,647,305)
Net claims incurred	(34,695,072)	-	(34,695,072)	(78,018,612)	-	(78,018,612)
Changes in other technical reserves	39,315	-	39,315	-	-	-
Policy acquisition costs	(6,652,747)	-	(6,652,747)	(11,701,316)	-	(11,701,316)
Inspection and supervision fees	(772,833)	-	(772,833)	(788,575)	-	(788,575)
Other underwriting expenses	(1,472,304)	-	(1,472,304)	(3,035,341)	-	(3,035,341)
TOTAL UNDERWRITING COSTS	(43,553,641)	-	(43,553,641)	(93,543,844)	-	(93,543,844)
NET UNDERWRITING SURPLUS	42,975,860	-	42,975,860	43,270,877	-	43,270,877
OTHER OPERATING (EXPENSES)/INCOME						
Allowance for doubtful debts	(1,663,280)	-	(1,663,280)	(1,044,100)	-	(1,044,100)
General and administrative expenses	(18,187,677)	(435,036)	(18,622,713)	(14,768,903)	(503,789)	(15,272,692)
Commission income on deposits and investments	2,597,627	1,739,786	4,337,413	2,397,028	1,277,045	3,674,073
Dividend income	530,389	1,644,131	2,174,520	133,286	-	133,286
Realized gain/(loss) on investments	15,915	-	15,915	(143,303)	2,995	(140,308)
Impairment of available for sale investments	(1,143,169)	-	(1,143,169)	(4,206,494)	-	(4,206,494)
Share of loss of associate	-	(274,742)	(274,742)	-	-	-
Other income	191,096	-	191,096	152,524	-	152,524
TOTAL OTHER OPERATING (EXPENSES)/INCOME	(17,659,099)	2,674,139	(14,984,960)	(17,479,962)	776,251	(16,703,711)
Total surplus for the period	25,316,761	2,674,139	27,990,900	25,790,915	776,251	26,567,166
Surplus transferred to shareholders' operations	(22,785,085)	22,785,085	-	(23,211,823)	23,211,823	-
Net income	2,531,676	25,459,224	27,990,900	2,579,092	23,988,074	26,567,166

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)
30 September 2018

18 SUPPLEMENTARY INFORMATION (continued)

Interim Condensed Statement of Income (Unaudited)	For the nine month period ended 30 September 2018			For the nine month period ended 30 September 2017		
	Insurance Operations	Shareholders' Operations	Total	Insurance Operations	Shareholders' Operations	Total
	SAR	SAR	SAR	SAR	SAR	SAR
REVENUES						
Gross written premiums	253,723,956	-	253,723,956	415,945,179	-	415,945,179
Reinsurance premiums ceded	(24,419,218)	-	(24,419,218)	(23,910,836)	-	(23,910,836)
Excess of loss premiums	(11,338,262)	-	(11,338,262)	(11,794,695)	-	(11,794,695)
Net premiums written	217,966,476	-	217,966,476	380,239,648	-	380,239,648
Changes in unearned premiums, net	53,084,546	-	53,084,546	(26,939,602)	-	(26,939,602)
Net premiums earned	271,051,022	-	271,051,022	353,300,046	-	353,300,046
Reinsurance commissions	4,938,234	-	4,938,234	6,110,270	-	6,110,270
Policy fees and other underwriting income	7,227,662	-	7,227,662	13,739,083	-	13,739,083
TOTAL REVENUES	283,216,918	-	283,216,918	373,149,399	-	373,149,399
UNDERWRITING COSTS						
Gross claims paid	(181,599,577)	-	(181,599,577)	(171,892,974)	-	(171,892,974)
Reinsurers' share of claims paid	19,647,131	-	19,647,131	12,224,463	-	12,224,463
Net claims paid	(161,952,446)	-	(161,952,446)	(159,668,511)	-	(159,668,511)
Changes in outstanding claims, net	6,098,049	-	6,098,049	(12,961,282)	-	(12,961,282)
Changes in claims incurred but not reported, net	15,516,395	-	15,516,395	(32,081,813)	-	(32,081,813)
Net claims incurred	(140,338,002)	-	(140,338,002)	(204,711,606)	-	(204,711,606)
Changes in other technical reserves	3,037,483	-	3,037,483	-	-	-
Policy acquisition costs	(23,592,848)	-	(23,592,848)	(33,045,189)	-	(33,045,189)
Inspection and supervision fees	(2,153,428)	-	(2,153,428)	(3,547,677)	-	(3,547,677)
Other underwriting expenses	(6,777,424)	-	(6,777,424)	(8,375,079)	-	(8,375,079)
TOTAL UNDERWRITING COSTS	(169,824,219)	-	(169,824,219)	(249,679,551)	-	(249,679,551)
NET UNDERWRITING SURPLUS	113,392,699	-	113,392,699	123,469,848	-	123,469,848
OTHER OPERATING (EXPENSES)/INCOME						
Allowance for doubtful debts	(6,167,446)	-	(6,167,446)	(2,683,986)	-	(2,683,986)
General and administrative expenses	(50,228,329)	(1,771,859)	(52,000,188)	(43,385,221)	(1,692,394)	(45,077,615)
Commission income on deposits and investments	7,619,138	4,839,425	12,458,563	6,681,399	3,139,099	9,820,498
Dividend income	1,043,718	2,953,287	3,997,005	764,991	4,130,000	4,894,991
Realized gain/(loss) on investments	1,205,378	(333,696)	871,682	1,802,977	(1,101,063)	701,914
Impairment of available for sale investments	(1,143,169)	-	(1,143,169)	(4,206,494)	-	(4,206,494)
Share of (loss)/profit of associate	-	(650,096)	(650,096)	-	778,906	778,906
Other income	245,251	-	245,251	359,904	-	359,904
TOTAL OTHER OPERATING (EXPENSES)/INCOME	(47,425,459)	5,037,061	(42,388,398)	(40,666,430)	5,254,548	(35,411,882)
Total surplus for the period	65,967,240	5,037,061	71,004,301	82,803,418	5,254,548	88,057,966
Surplus transferred to shareholders' operations	(59,370,516)	59,370,516	-	(74,523,076)	74,523,076	-
Net income	6,596,724	64,407,577	71,004,301	8,280,342	79,777,624	88,057,966

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (Continued)

30 September 2018

18 SUPPLEMENTARY INFORMATION (continued)

Interim Condensed Statement of Comprehensive Income (Unaudited)	For the three months period ended 30 September 2018			For the three months period ended 30 September 2017		
	Insurance Operations SAR	Shareholders' Operations SAR	Total SAR	Insurance Operations SAR	Shareholders' Operations SAR	Total
	Income for the period	2,531,676	25,459,224	27,990,900	2,579,092	23,988,074
Other comprehensive income/(loss) <i>Items that will be reclassified to statements of income in subsequent periods</i>						
Available for sale investments:						
- Net amounts transferred to statement of income	(15,915)	-	(15,915)	143,303	(2,995)	140,308
- Net change in fair value	194,042	2,363,265	2,557,307	5,769,024	6,275,697	12,044,721
	178,127	2,363,265	2,541,392	5,912,327	6,272,702	12,185,029
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,709,803	27,822,489	30,532,292	8,491,419	30,260,776	38,752,195

Interim Condensed Statement of Comprehensive Income (Unaudited)	For the nine months period ended 30 September 2018			For the nine months period ended 30 September 2017		
	Insurance Operations SAR	Shareholders' Operations SAR	Total SAR	Insurance Operations SAR	Shareholders' Operations SAR	Total
	Income for the period	6,596,724	64,407,577	71,004,301	8,280,342	79,777,624
Other comprehensive income/(loss) <i>Items that will be reclassified to statements of income in subsequent periods</i>						
Available for sale investments:						
- Net amounts transferred to statement of income	(1,205,378)	333,696	(871,682)	(1,802,977)	1,101,063	(701,914)
- Net change in fair value	2,919,920	(3,410,137)	(490,217)	2,852,163	6,968,156	9,820,319
	1,714,542	(3,076,441)	(1,361,899)	1,049,186	8,069,219	9,118,405
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	8,311,266	61,331,136	69,642,402	9,329,528	87,846,843	97,176,371

BURUJ COOPERATIVE INSURANCE COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)
30 September 2018

18 SUPPLEMENTARY INFORMATION (continued)

Interim Condensed Statement of Cash Flows	For the nine month period ended 30 September 2018		
	Insurance operations	Shareholders' operations	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period	6,596,724	64,407,577	71,004,301
<i>Adjustments for non-cash items:</i>			
Surplus attributable to the shareholders	59,370,516	(59,370,516)	-
Depreciation of property and equipment	925,904	-	925,904
Allowance for doubtful debts	6,167,446	-	6,167,446
Provision for end-of-service indemnities	1,841,897	-	1,841,897
Realized (gain)/loss from investments	(1,205,378)	333,696	(871,682)
Impairment of available for sale investments	1,143,169	-	1,143,169
Share of loss of associate	-	650,096	650,096
Gain on disposal of property and equipment	(52,299)	-	(52,299)
<i>Changes in operating assets and liabilities:</i>			
Premiums and reinsurers' receivable	(17,976,460)	-	(17,976,460)
Reinsurers' share of unearned premiums	(1,503,132)	-	(1,503,132)
Reinsurers' share of outstanding claims	7,765,705	-	7,765,705
Reinsurers' share of claims incurred but not reported	(2,469,404)	-	(2,469,404)
Deferred policy acquisition costs	4,944,762	-	4,944,762
Deferred excess of loss premiums	(2,398,261)	-	(2,398,261)
Prepaid expenses and other assets	(8,126,178)	(766,266)	(8,892,444)
Policyholders and accounts payables	5,353,058	-	5,353,058
Accrued expenses and other liabilities	(8,117,330)	(544,518)	(8,661,848)
Reinsurers' balances payable	3,482,017	-	3,482,017
Unearned premiums	(51,581,414)	-	(51,581,414)
Unearned reinsurance commission	282,437	-	282,437
Outstanding claims	(13,863,754)	-	(13,863,754)
Claims incurred but not reported	(13,046,991)	-	(13,046,991)
Other technical reserves	(3,037,483)	-	(3,037,483)
End-of-service indemnities paid	(25,504,449)	4,710,069	(20,794,380)
Insurance surplus paid	(549,961)	-	(549,961)
Zakat paid	(10,221,968)	-	(10,221,968)
Zakat paid	-	(7,914,699)	(7,914,699)
Net cash used in operating activities	(36,276,378)	(3,204,630)	(39,481,008)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Additions)/disposals in time deposits	21,344,855	(14,065,915)	7,278,940
Additions in investments	(5,018,693)	(44,098,186)	(49,116,879)
Proceeds from available for sale investments	16,002,836	16,517,460	32,520,296
Additions/disposals in property and equipment	(1,923,363)	-	(1,923,363)
Proceeds from disposal of property and equipment	65,351	-	65,351
Net cash generated from (used in) investing activities	30,470,986	(41,646,641)	(11,175,655)
CASH FLOWS FROM FINANCING ACTIVITIES			
Due to shareholders' operations	(40,271,481)	40,271,481	-
Net cash generated from/(used in) financing activities	(40,271,481)	40,271,481	-
Net change in cash and cash equivalents	(46,076,873)	(4,579,790)	(50,656,663)
Cash and cash equivalents, beginning of the period	194,470,790	44,405,740	238,876,530
Cash and cash equivalents, end of the period	148,393,917	39,825,950	188,219,867
<i>Non-cash transactions:</i>			
Change in fair value of available for sale investments	1,714,542	(3,076,441)	(1,361,899)

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18 SUPPLEMENTARY INFORMATION (continued)

Interim Condensed Statement of Cash Flows

	For the nine month period ended 30 September 2017		
	Insurance operations	Shareholders' operations	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period	8,280,342	79,777,624	88,057,966
<i>Adjustments for non-cash items:</i>			
Surplus attributable to the shareholders		(74,523,076)	-
Depreciation of property and equipment	744,787	-	744,787
Allowance for of doubtful debts	2,683,986	-	2,683,986
Provision for end-of-service indemnities	1,509,675	-	1,509,675
Realized (gain) loss from investments	(1,802,977)	1,101,063	(701,914)
Impairment of available for sale investments	4,206,494	-	4,206,494
Share of profit of associate	-	(778,906)	(778,906)
Loss on disposal of property and equipment	29,881	-	29,881
<i>Changes in operating assets and liabilities:</i>			
Premiums and reinsurers' receivable	(24,329,415)	-	(24,329,415)
Reinsurers' share of unearned premiums	(1,151,563)	-	(1,151,563)
Reinsurers' share of outstanding claims	5,199,023	-	5,199,023
Reinsurers' share of claims incurred but not reported	(9,087,312)	-	(9,087,312)
Deferred policy acquisition costs	(2,989,675)	-	(2,989,675)
Deferred excess of loss premiums	1,512,947	-	1,512,947
Prepaid expenses and other assets	(5,279,795)	(1,306,357)	(6,586,152)
Policyholders and accounts payables	5,402,462	-	5,402,462
Accrued expenses and other liabilities	9,855,348	187,072	10,042,420
Reinsurers' balances payable	(190,564)	-	(190,564)
Unearned premiums	28,091,165	-	28,091,165
Unearned reinsurance commission	594,245	-	594,245
Outstanding claims	7,762,259	-	7,762,259
Claims incurred but not reported	41,169,125	-	41,169,125
	146,733,514	4,457,420	151,190,934
End-of-service indemnities paid	(439,930)	-	(439,930)
Zakat paid	-	(5,125,939)	(5,125,939)
Net cash generated from operating activities	146,293,584	(668,519)	145,625,065
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions/disposals in time deposits	(120,488,515)	(20,625,550)	(141,114,065)
Additions in investments	(27,101,882)	(47,181,156)	(74,283,038)
Proceeds from available for sale investments	26,795,205	34,508,106	61,303,311
Additions/disposals in property and equipment	(1,232,275)	-	(1,232,275)
Net cash used in investing activities	(122,027,467)	(33,298,600)	(155,326,067)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	-	(12,500,000)	(12,500,000)
Due to shareholders' operations	(54,440,478)	54,440,478	-
Net cash (used in)/generated from financing activities	(54,440,478)	41,940,478	(12,500,000)
Net change in cash and cash equivalents	(30,174,361)	7,973,359	(22,201,002)
Cash and cash equivalents, beginning of the period	209,890,732	103,520,629	313,411,361
Cash and cash equivalents, end of the period	179,716,371	111,493,988	291,210,359
<i>Non-cash transactions:</i>			
Change in fair value of available for sale investments	1,049,186	8,069,219	9,118,405

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19 COMPARATIVE FIGURES

Certain prior period figures have been reclassified to conform to current period presentations; however there is no impact of such reclassifications to the overall presentation of the interim condensed financial statements.

20 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements have been approved by the Board of Directors on 20 Safar 1440H, corresponding to 29 October 2018.