



## KPMG Professional Services

Zahran Business Center  
Prince Sultan Street  
P.O. Box 55078  
Jeddah 21534  
Kingdom of Saudi Arabia  
Headquarter in Riyadh

Commercial Registration No 4030290792

## كي بي إم جي للاستشارات المهنية

مركز الزهران للأعمال  
شارع الأمير سلطان  
ص.ب 55078  
جده 21534  
المملكة العربية السعودية  
المركز الرئيسي الرياض

سجل تجاري رقم 4030290792

The Shareholders  
Gulf General Cooperative Insurance Company  
P. O. Box 1866  
Jeddah 21436  
Kingdom of Saudi Arabia

Dear Sirs,

### Report on Factual Findings:

In accordance with our KPMG Engagement Letter dated 9 November 2021, we have performed the procedures agreed with you (the 'agreed upon procedures' or 'procedures') and enumerated below. Our engagement to perform the agreed upon procedures was undertaken in accordance with International Standards on Related Services (ISRS) 4400: "Engagements to Perform Agreed-Upon-Procedures Regarding Financial Information" endorsed in the Kingdom of Saudi Arabia, applicable to agreed-upon procedures engagements. The procedures were performed solely to assist the management of Gulf General Cooperative Insurance Company in completing the regulatory procedures and instructions issued by the Capital Market Authority (CMA), related to listed companies when there is a reduction in accumulated losses to below 35% of the share capital.

### Procedures performed:

We agreed to perform the following procedures:

- 1 Obtained and agreed the balances appearing in Appendix I with the Unaudited Interim Financial Statements as at September 30, 2021.
- 2 Checked the arithmetical accuracy of the numbers as shown in Appendix I and reported discrepancy identified, if any.
- 3 Computed the percentage of the Company's accumulated losses to its share capital based on balances appearing in Appendix I and report this in our Agreed Upon Procedures report.

### Our Findings:

1. With respect to procedure number (1), no exceptions noted;
2. With respect to procedure number (2), no exceptions noted;
3. With respect to procedure number (3), the accumulated losses represent [20.7] % of the share capital.

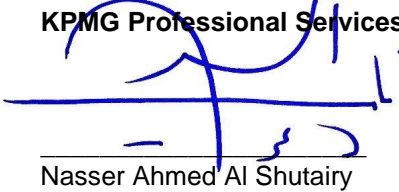
Because the above procedures do not constitute either an audit or a review made in accordance with the International Standards on Auditing or International Standards on Review Engagements, as endorsed in the Kingdom of Saudi Arabia, we do not express any assurance on the Appendix (1)

Had we performed additional procedures or had we performed an audit or review in accordance with International Standards on Auditing or International Standards on Review Engagements as endorsed in the Kingdom of Saudi Arabia, other matters might have come to our attention that would have been reported to you.



Our report is solely for the purpose set forth in the first paragraph of this report and for your information and for submission to CMA and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the items specified above and does not extend to any financial statements of the Company, taken as a whole. We will not be responsible for the consequences of sharing this report with any party other than the addressee of this report. Thus, we will not be liable for any damages or to indemnify the Company for any other charges that they may incur as a result of use of our report.

**KPMG Professional Services**



Nasser Ahmed Al Shutairy

License No. 454

Jeddah, 9 November 2021  
Corresponding to 4 Rabi Al Thani 1443H



**GULF GENERAL COOPERATIVE INSURANCE COMPANY  
SAUDI JOINT STOCK COMPANY**

**STATEMENT OF FINANCIAL POSITION**

**BALANCE SHEET  
30 SEPTEMBER 2021  
(UNAUDITED)  
SR'000**

**ASSETS**

Cash and cash equivalents	300,074
Murabaha deposits	-
Premiums receivable, net	66,863
Due from reinsurers, net	31,358
Reinsurers' share of unearned premiums	30,385
Reinsurers' share of outstanding claims	10,646
Reinsurers' share of claims incurred but not reported	5,018
Reinsurers' excess of loss claims	2,912
Deferred policy acquisition costs	9,416
Investments	45,903
Prepayments and other assets	46,103
Right-of-use assets	1,827
Property and equipment	12,937
Intangible assets	10,651
Goodwill	36,260
Statutory deposit	75,000
Accrued income on statutory deposit	2,372
<b>TOTAL ASSETS</b>	<b>687,725</b>

**LIABILITIES**

Due to policyholders	10,333
Accrued expenses and other liabilities	17,729
Due to reinsurers	7,483
Due to brokers	8,979
Unearned premiums	140,899
Unearned reinsurance commission	5,856
Outstanding claims	40,107
Claims incurred but not reported	23,938
Premium deficiency reserve	10,360
Other technical reserves	4,069
Employees' defined benefit obligations	4,274
Lease liabilities	1,757
Insurance operations' surplus payable	8,742
Accrued zakat	1,063
Accrued income payable to SAMA	2,372
<b>TOTAL LIABILITIES</b>	<b>287,961</b>

**EQUITY**

Share Capital	500,000
Statutory reserve	2,165
Accumulated losses	(103,505)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>398,660</b>
Re-measurement reserve of defined benefit obligations	1,104
<b>TOTAL EQUITY</b>	<b>399,764</b>

**TOTAL LIABILITIES AND EQUITY**

**687,725**

Chief Executive Officer



Chief Financial Officer