

**NATIONAL INSURANCE GROUP, PUBLIC
SHAREHOLDING LIMITED**

**CONSOLIDATED CONDENSED INTERIM FINANCIAL
INFORMATION**

For the Period Ended June 30, 2021

(Translated from the Original Arabic Version)

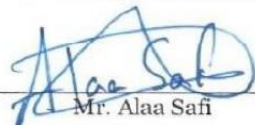
National Insurance Group- Public Shareholding Limited

Consolidated Condensed Interim financial information for the six months period ended June 30, 2021

(All amounts are in USD)


Consolidated Condensed Interim statement of financial position

As at	June 30, 2021 Unaudited	December 31, 2020 Audited
Assets		
Non-current assets		
Property, plant and equipment	3,870,265	4,036,301
Investment properties	20,724,451	20,430,290
Deferred tax assets	2,884,400	2,538,347
Right of use assets- Leases	1,096,863	1,149,355
Investment in associates	3,315,012	3,215,306
Long-term financial assets at amortized cost	19,998,533	20,862,177
Financial assets at fair value through other comprehensive income	1,524,356	1,533,535
Long-term cheques under collection	1,669,639	990,303
Restricted cash	3,648,001	500,171
	58,731,520	55,255,785
Current assets		
Financial assets at fair value through profit or loss	6,561,100	8,256,490
Short-term financial assets at amortized cost	3,455,333	4,170,486
Accounts receivable	16,531,211	13,196,934
Reinsurance contracts assets	11,233,018	10,466,812
Insurance and reinsurance companies' receivable	2,404,886	1,887,283
Other debit balances	2,443,452	1,659,373
Short-term cheques under collection	22,320,547	22,167,337
Cash and cash equivalents	13,886,408	17,087,418
	78,835,955	78,892,133
Total assets	137,567,475	134,147,918
Equity and liabilities		
Equity		
Paid-in capital	17,250,000	15,000,000
Statutory reserve	8,018,686	8,018,686
Voluntary reserve	3,000,000	3,000,000
Fair value reserve	(215,236)	(197,726)
Foreign currency translation differences	44,476	51,717
Retained earnings	15,449,463	19,373,379
Equity attributable to shareholders of the Parent Company	43,547,389	45,246,056
Non-controlling interests	1,726,598	1,715,624
Net equity	45,273,987	46,961,680
Liabilities		
Non-current liabilities		
Provision for end of service indemnity	5,099,058	4,588,439
Deferred tax liabilities	1,427,981	1,427,981
Long-term lease liabilities	961,114	1,021,463
	7,488,153	7,037,883
Current liabilities		
Insurance contracts liabilities	70,429,988	63,110,304
Insurance and reinsurance companies' payable	4,067,528	4,176,648
Short-term lease liabilities	116,081	111,382
Accounts payable	6,955,581	7,287,557
Taxes provision	385,888	1,489,018
Due to Palestinian Road Accidents Victims Compensation Fund	197,000	198,556
Other credit balances	2,653,269	3,774,890
	84,805,335	80,148,355
Total liabilities	92,293,488	87,186,238
Total equity and liabilities	137,567,475	134,147,918


Mr. Alaa Safi

Deputy General Manager for
Finance and Logistics




Mr. Ahmad Mushasha

General Manager

National Insurance Group- Public Shareholding Limited

Consolidated Condensed Interim financial information for the six months period ended June 30, 2021

(All amounts are in USD)

Consolidated Condensed Interim statement of income

For the period ended

	June 30, 2021 Unaudited	June 30, 2020 Unaudited
Gross written insurance premiums	32,977,569	28,999,630
Change in unearned premiums	(3,865,658)	(2,074,012)
	29,111,911	26,925,618
Gross reinsurers' premiums	(5,307,793)	(5,054,084)
Reinsurers' share of change in unearned premiums	639,878	138,727
	(4,667,915)	(4,915,357)
Net earned premiums before commissions	24,443,996	22,010,261
Reinsurance commissions earned	754,260	693,515
Commissions paid	(1,041,297)	(934,935)
Net earned premiums after commissions	24,156,959	21,768,841
Claims paid	(16,244,979)	(12,343,999)
Reinsurers' share of claims paid	1,577,817	704,670
Net claims paid	(14,667,162)	(11,639,329)
Change in outstanding claims reserve	(3,454,026)	(1,409,007)
Change in reinsurers' share of outstanding claims reserve	126,328	427,133
Net incurred claims	(17,994,860)	(12,621,203)
Net insurance profit before allocated general and administrative expenses	6,162,099	9,147,638
Expenses allocated to insurance segments:		
Insurance segments' share of general and administrative expenses	(4,617,024)	(4,179,186)
Net insurance profit after allocated general and administrative expenses	1,545,075	4,968,452
Unallocated expenses and revenues on insurance segments:		
Investment income	1,889,614	846,772
Group's share of the results of associates' businesses	107,490	62,305
Currency exchange (losses)	(479,648)	(141,418)
Other segments' revenues	211,716	212,517
Unallocated general and administrative expenses to insurance segments	(445,085)	(387,258)
Net impairment (losses)	(748,089)	(1,465,993)
Net income before taxes	2,081,073	4,095,377
Taxes expense	(361,748)	(1,135,034)
Net income	1,719,325	2,960,343
Attributable to:		
Shareholders of the Parent Company	1,701,084	2,944,909
Non-controlling interests	18,241	15,434
	1,719,325	2,960,343
Earnings per share attributable to the shareholders of the Parent Company	0.099	0.171

National Insurance Group- Public Shareholding Limited

Consolidated Condensed Interim financial information for the six months period ended June 30, 2021

(All amounts are in USD)

Consolidated Condensed Interim statement of comprehensive income

For the period ended

	June 30, 2021 Unaudited	June 30, 2020 Unaudited
Net income	1,719,325	2,960,343
Comprehensive income:		
<i>Items that will not be reclassified to the statement of income in subsequent periods:</i>		
Change in fair value - financial assets at fair value through other comprehensive income	(17,510)	(15,499)
<i>Items that will be reclassified to the statement of income in subsequent periods:</i>		
Foreign currency translation differences	(7,784)	-
Other comprehensive income for the period	(25,294)	(15,499)
Total comprehensive income for the period	1,694,031	2,944,844
Attributable to:		
Shareholders of the Parent Company	1,676,333	2,929,410
Non-controlling interests	17,698	15,434
	1,694,031	2,944,844
Earnings per share attributable to the shareholders of the Parent Company	0.097	0.170

National Insurance Group- Public Shareholding Limited

Consolidated Condensed Interim financial information for the six months period ended June 30, 2021

(All amounts are in USD)

Consolidated Condensed Interim statement of changes in equity

For the period ended

	Paid-in capital	Statutory reserve	Voluntary reserve	Fair value reserve	Foreign currency translation differences	Retained earnings	Equity attributable to shareholders of the Parent Company	Non-controlling interests	Net equity
June 30, 2021									
Balance as at January 1, 2021	15,000,000	8,018,686	3,000,000	(197,726)	51,717	19,373,379	45,246,056	1,715,624	46,961,680
Net income	-	-	-	-	-	1,701,084	1,701,084	18,241	1,719,325
Other comprehensive income	-	-	-	(17,510)	(7,241)	-	(24,751)	(543)	(25,294)
Total comprehensive income for the period	-	-	-	(17,510)	(7,241)	1,701,084	1,676,333	17,698	1,694,031
Cash dividends	-	-	-	-	-	(3,375,000)	(3,375,000)	-	(3,375,000)
Stocks dividends	2,250,000	-	-	-	-	(2,250,000)	-	-	-
Net change in non-controlling interests	-	-	-	-	-	-	-	(6,724)	(6,724)
Balance as at June 30, 2021 (Unaudited)	17,250,000	8,018,686	3,000,000	(215,236)	44,476	15,449,463	43,547,389	1,726,598	45,273,987
June 30, 2020									
Balance as at January 1, 2020	15,000,000	7,261,465	3,000,000	(163,589)	-	15,411,015	40,508,891	1,651,337	42,160,228
Net income	-	-	-	-	-	2,944,909	2,944,909	15,434	2,960,343
Other comprehensive income	-	-	-	(15,499)	-	-	(15,499)	-	(15,499)
Total comprehensive income for the period	-	-	-	(15,499)	-	2,944,909	2,929,410	15,434	2,944,844
Cash dividends	-	-	-	-	-	(3,000,000)	(3,000,000)	-	(3,000,000)
Net change in non-controlling interests	-	-	-	-	-	-	-	(129)	(129)
Balance as at June 30, 2020 (Unaudited)	15,000,000	7,261,465	3,000,000	(179,088)	-	15,355,924	40,438,301	1,666,642	42,104,943

National Insurance Group- Public Shareholding Limited

Consolidated Condensed Interim financial information for the six months period ended June 30, 2021

(All amounts are in USD)

Consolidated Condensed Interim statement of cash flows

For the period ended

	June 30, 2021 Unaudited	June 30, 2020 Unaudited
Cash flows from operating activities:		
Net income before taxes	2,081,073	4,095,377
Depreciation of property, plant and equipment	261,177	246,657
Depreciation of right of use assets	68,140	68,454
(Gains) on disposal of right of use assets	-	(1,644)
(Gains) from sale of financial assets at fair value through profit or loss	(421,812)	(126,436)
Change in fair value of financial assets at fair value through profit or loss	(592,159)	212,827
Investments proceeds	(875,643)	(933,163)
End of service indemnity provision	887,640	454,347
Group's share of the results of associates' businesses	(107,490)	(62,305)
Finance costs- lease liabilities	28,008	30,806
Net impairment losses	748,089	1,465,993
Cash flows before changes in operating activities	2,077,023	5,450,913
Change in operating assets and liabilities:		
Cheques under collection	(831,703)	362,675
Accounts receivable	(4,116,653)	(7,592,505)
Insurance and reinsurance companies' receivable	(530,955)	(279,008)
Reinsurance contracts assets	(766,206)	(565,860)
Other debit balances	(784,079)	(217,760)
Insurance contracts liabilities	7,319,684	3,483,019
Accounts payable	(774,925)	(594,864)
Insurance and reinsurance companies' payable	(109,120)	464,251
Due to Palestinian Road Accidents Victims Compensation Fund	(1,556)	317,026
Other credit balances	(1,121,621)	(477,620)
Purchase of financial assets at fair value through profit or loss	(2,789,977)	(1,352,127)
Sale of financial assets at fair value through profit or loss	5,499,338	638,045
Net cash provided by (used in) operating activities before taxes and end of service indemnity payments	3,069,250	(363,815)
Taxes payments	(1,810,931)	(1,055,044)
End of service indemnity paid	(377,021)	(463,387)
Net cash provided by (used in) operating activities	881,298	(1,882,246)
Cash flows from investing activities:		
Change in restricted cash	(3,147,830)	23,098
Purchase of property, equipment and investment properties	(389,302)	(379,928)
Purchase of investment in associates	-	(2,414,219)
Purchase of financial assets at fair value through other comprehensive income	(8,331)	-
Change in financial assets at amortized cost	1,606,125	(645,732)
Investments proceeds	875,643	933,163
Net cash (used in) investing activities	(1,063,695)	(2,483,618)
Cash flows from financing activity		
Loans	-	(48,800)
Change in non-controlling interests	(6,724)	(129)
Lease liabilities paid	(99,306)	(97,804)
Cash dividends	(2,932,051)	(2,622,293)
Net cash (used in) financing activities	(3,038,081)	(2,769,026)
Net change in cash and cash equivalents	(3,220,478)	(7,134,890)
Cash and cash equivalents, beginning of the period	17,295,109	21,376,399
Cash and cash equivalents, end of the period	14,074,631	14,241,509