

Suez Canal Insurance



ANNUAL REPORT
2021/2022



قناة السويس للتأمين
Suez Canal Insurance



CONTENTS



Managing Director`s Speech



Suez Canal Insurance Company aims to be the leading company in the Egyptian Insurance Market; we are committed to provide distinguished insurance services for our clients throughout simplicity and quick disbursements of compensation, in addition SCI is trying to serve its clients throughout developing new insurance coverage, satisfying our customers' needs.

SCI aims to be ranked first amongst the Egyptian insurance companies in the market; by gaining a high level of customer trust and satisfaction and that is through a distinguished group of leaders at all levels of technical and administrative from the experienced loyal managers and employees, and the company is keen to their continuous development through various training programs within the country and abroad.

AM Best has assigned a Financial Strength Rating of B- (Fair) and a Long-Term Issuer Credit Rating of "bb-" to Suez Canal Insurance (SCI) (Egypt). The outlook assigned to these Credit Ratings (ratings) is stable. The ratings reflect SCI's balance sheet strength, which AM Best categorises as strong. As well - this year - FITCH Ratings has assigned the company a B+ and AA-(egy) rating with a stable outlook.

SCI aims to achieve its objectives through two main focal points of development:

Our vision: We look forward to be 1st choice for insurance's clients through our accumulated experience during decades in which we established a stock of knowledge, experiences and capabilities which all our energies are mobilized for it. We are also working to increase the company's market share through a profitable business portfolio and to take the leadership of the insurance market in Egypt through the good reputation, product diversity, rapid response to customers' needs, spreading and quality of performance, to be classified 1 in production, profitability, equity and customer satisfaction.

Our mission: We seek to achieve our vision through:

- Enhancing our relations with customers and satisfying their needs by providing high quality products and meeting their demands.
- Geographical spreading, expansion of our branches network, agents and offices to meet the needs of existing customers and reach all expected customers.
- Investing in people (HR) throughout enhancing their communication skills, satisfying their job needs and enabling them to achieve their goals along with SCI's vision.
- Provide qualified and trained specialized technical staff in insurance business with its different classes, and also in the areas of insurance research and development.
- Creation of new innovated ideas.
- Our social commitment in spreading insurance awareness in the society and how important is the insurance to our lives.

- Despite COVID-19 and its world economic impact especially the world trade, international transactions and the competition amongst Egyptian insurance companies SCI succeeded to keep its distinguished and unique performance and contribution to the Egyptian economy growth, as SCI managed to keep its credibility in the Egyptian market throughout premiums achieved and keeping committed to all of its obligations towards its clients.
- SCI management keeps working to increase and develop works according to well thought out underwriting strategies.
- SCI was able to protect its investments from any arising risks, due to the rational strategy of the company's management and the good handling of any situations with an incisive vision and throughout investing in stable and secure investment portfolios.

Here are the outcomes which have been achieved throughout this year:

- 1- Written premiums during 2021/2022 reached to be approximate 1.322 billion Egyptian pounds, versus 1.114 billion Egyptian pounds for the last year.
 - 2- Claims paid in 2021/2022 reached to be approximate 450 million Egyptian pounds, versus 374 million Egyptian pounds for the last year.
 - 3- Technical reserves in 2021/2022 reached to be approximate amount of 833.596 million Egyptian pounds, versus 678.670 million Egyptian pounds for the last year.
 - 4- SCI is keen to invest its available funds in the different investment funds, subject to Law and the Company's interest; SCI's net invested funds in 2021/2022 reached to be 1.682 billion Egyptian pounds, versus 1.359 billion Egyptian pounds for the last year; with a return on investment for the current year reached 143 million Egyptian pounds, versus 99 million Egyptian pounds for the last year.
 - 5- As for the fiscal year ended on 30/06/2022, SCI has achieved a net profit of 60.624 million Egyptian pounds, versus 38.791 million Egyptian pounds for the last year.
- In culmination of these efforts, SCI has maintained its exceptional superiority, which is confirmed by the Company's fiscal solvency, the trust of our clients and the good management for both insurance and investment portfolios.
 - Upon the outcomes of the Company, I would like to thank the supervisory authorities for their productive cooperation with the company; and I would like to thank the shareholders for their support, in addition to all of the Company's employees for their dedicated efforts and devotion in work.

May Allah Grants us Success,

MANAGING DIRECTOR
MOHAMED HASAN





Board of Directors





Eng. Mohamed Adel Fathy
Chairman



Mr. Mohamed Hasan Farghaly
Managing Director & CEO



**Mr. Hosam El-din Emam Abd
Al-Samad**



Eng. Eman Ali Soliman



Eng. Mofeda Kamal Eldin Allam



Mr. Waleed Ibraheem Mostafa



Mr. Yahia Mohamed Al Mahgoub



Eng. Gamal Elsayed Ellaboudy



Eng. Mohamed Hasan Abdul Monem

Executive Management



Mr. Mohamed Abd El-Hafez
Head Of Financial, Investment and Administration Sectors



Mr. Tarek Kadry
Sector Head
Marine Cargo



Mr. Ayman Nasif
Sector Head
Marine Hull



Mr. Tamer Labib
Sector Head
Motor Calims



Mr. Esam El Sayed
Sector Head
General Accidents



Mrs. Hoda Abdeen
Sector Head
General Accidents Claims



Mrs. Moshira Mamoun
Sector Head Engineering,
Oil and Special Risks



Mrs. Hebatullah Ahmed Attia
Sector Head
Fire and Burglary

Technical Sector cont.



Mr. Hatem Attia
Sector Head
Engineering Claims



Mr. Ayman Hanafy
Sector Head
Fire & Burglary Claims



Mr. Abo Bakr Elrefaie
Sector Head
Marine Hull Claims



Mr. Khaled Yousry
General Manager
Reinsurance



Mr. Ayman Waly
General Manager
Motors



Mr. Ahmad Fekry
General Manager
Medical



Mr. Ahmed Abdel Kareem
Vice. General Manager
Medical Claims



Mr. Mohamed Nada
Asst. Manager
Marine Cargo Claims

Technical Sector cont.



Mr. Mohamed Abdelghany
Sector Head
Inspection & Internal Control



Mr. Yasser Murad
Sector Head
Legal Affairs



Mr. Ahmad Nour
Sector Head
Enterprise Risk Management



Mr. Ashraf Shokry
Sector Head
Information Technology



Mrs. Sahar El Wakeel
Manager
Information & Decision
Support Center



Mr. Ahmad Saber
Manager
Public Relations Department



Mrs. Shayma Shahin
Asst. General
Manager of CRM



Mr. Hazem Mohamed Gad
Manager
Human Resource Department

Executive Management

Finance and Investment



Mr. Samir Saad
Sector Head
Finance Department



Mr. Khaled Shibl
Sector Head
Balance Sheets



Mr. Ali Abdelgelil
Sector Head
Investments Department



Mr. Ashraf Abdelrhim
Sector Head
Financial Internal Auditing



Mr. Mohamed Galal Ahmed
Sector Head
Financial Analysis



Mr. Essam Shrara
Sector Head
Reinsurance Accounts



Mrs. Anhar Kandeel
Sector Head
Central Collection



Mr. Mohamed Fawzy Hussein
Asst. General Manager
Production Accounts

Independent Auditors

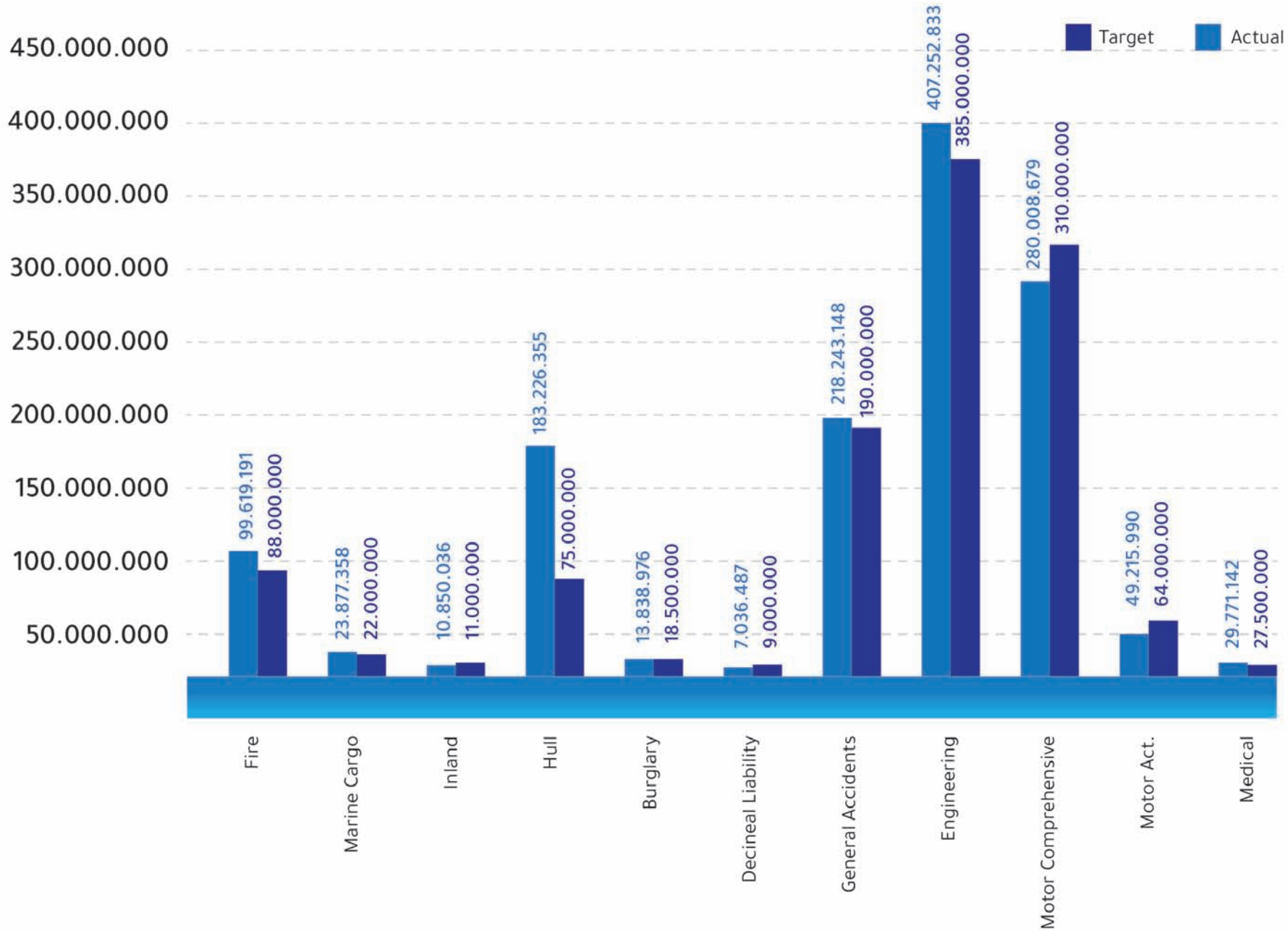
Dr. Mohamed Abdel-Aziz Hegazy & Co. - Horwath

Accountability state authority

Actuarial Expert

Dr. Hussien Abd El Ghaffar (Non Life Insurance)





Board of Directors' Report

Suez Canal Insurance Board of Director is honored to

Present its Annual Report of the Company's Activity during the Fiscal Year ending 30/06/2022 Thanks to Allah, after a challenging year the Company still maintains its distinguished position in the Egyptian Insurance Sector; and that is due to the Company's strategies of attracting new clients through its branches and offices, spread all over the country.

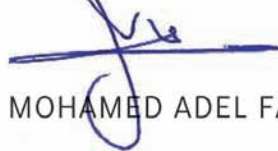
SCI continues its hard work to achieve and accomplish its goals throughout a coherent and loyal team at the highest level of efficiency and loyalty; in addition, the Company is keen to the continuous development through the development of its human resources, in order to achieve the highest levels of performance, to maintain its distinct position, and to achieve the required growth rates in premiums and investments.

In addition, the Company was able to protect its investments from any arising risks, due to the rational strategy of its management with an incisive vision; and that is in order to maintain its top position amongst all companies operating in the Egyptian Insurance Market private sector.

Here are our achievements during the Fiscal Year ended on 30/06/2022:

1. Written premiums during 2021/2022 reached to be approximate 1.322 billion Egyptian pounds, versus 1.114 billion Egyptian pounds for the last year, which reflects the credibility that SCI has in the Egyptian market.
 2. Claims paid in 2021/2022 reached to be approximate 450 million Egyptian pounds, versus 374 million Egyptian pounds for the last year. Which SCI retained 220 million Egyptian pounds, which illustrates the Company's positive role in fulfilling its commitments to the policies' holders and beneficiaries.
 3. The ratio of administrative and general expenses for this year reached 15.97% of the released premiums, versus 17 % for the last year
 4. The Company's total technical reserves in 2021/2022 reached to be 833.596 million Egyptian pounds, versus 678.67 million Egyptian pounds for the last year, with an increase of 154.926 million Egyptian pounds.
 5. It is worth mentioning that the Company invests its available funds in the different investment portfolios, subject to the Company's interest and strengthening the rights of the shareholders and the policies' holders; thus, the net invested funds in 2021/2022 reached to be 1.682 billion Egyptian pounds, versus 1.359 billion Egyptian pounds for the last year, the return on investment amounted an average of 9.42% versus 7.71% for the last year.
 6. The Company's net profit for the fiscal year ended on 30/06/2022 reached to be of 66.183 million Egyptian pounds (Pre-tax), versus 45.493 million Egyptian pounds for the last year; thus, the Company's net profit reached to be of 60.624 million Egyptian pounds (After-tax), versus 38.791 million Egyptian pounds for the last year.
- The Return on total equity for this year reached 18.12% (After-tax), versus 14.47% for the last year.
 - In light of the outcomes of the Company's business, illustrated by the indicators of the Financial Statements as mentioned above, the Board of Directors extends its thanks and appreciation to the Egyptian Financial Supervisory Authority, The Insurance Federation of Egypt, The Accountability State Authority, The Company's external auditor and to all those in charge of these authorities, whose cooperation had a tangible impact on the good performance and achievements.
 - In addition, we would like to deeply thank our esteemed clients who are real partners in this success, due to their trust in us and in our credibility; we would like to extend our thanks and appreciation to our dear shareholders for their support to our Company, maintaining its exceptional position at the top.
 - Furthermore, the Board of Directors would like to extend its thanks and appreciation to all of the Company's employees, at its different financial, technical, administrative and marketing divisions, for their tangible efforts during this year, which have contributed directly to the superiority of the Company's performance; thus, our Company has come to be a prominent symbol of good performance, excellence and credibility, and a true edifice serving the national economy.

CHAIRMAN



ENG. MOHAMED ADEL FATHY

MANAGING DIRECTOR



MOHAMED HASAN

Dividends as at 30/6/2022



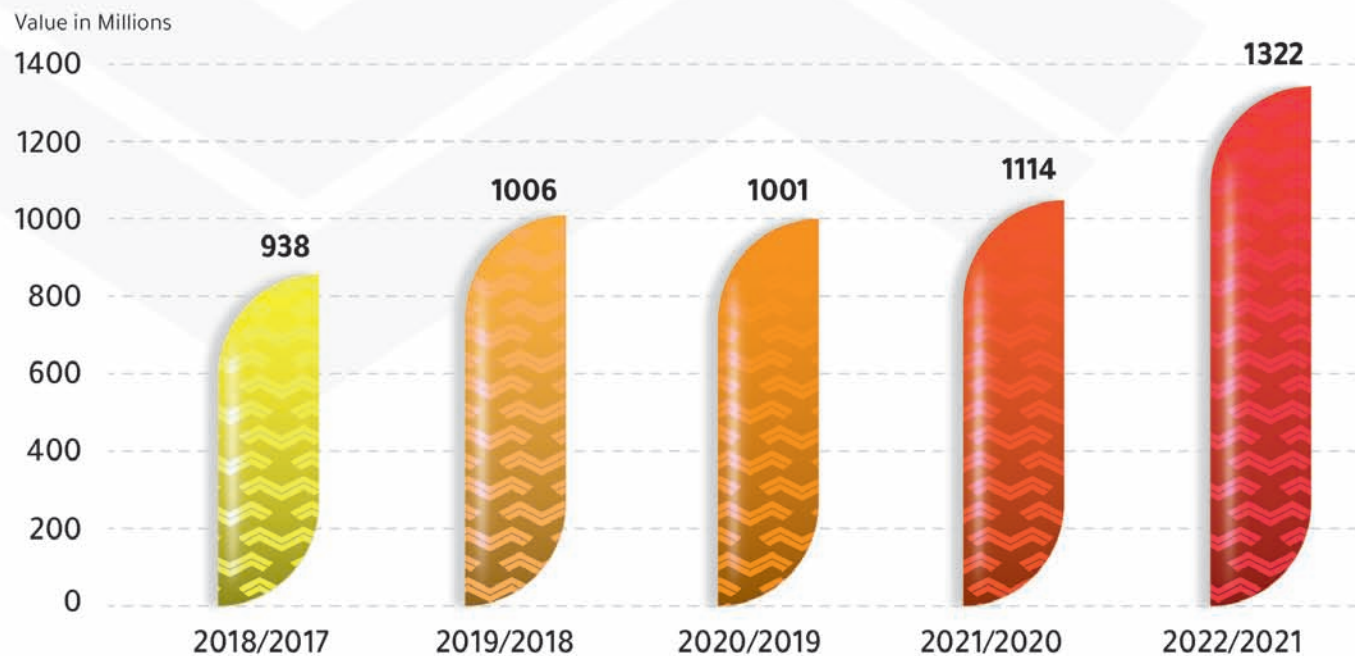
		Value in EGP	
Net profit after tax			60.624.393
Deduct: Capital gains to capital reserve			921.896
Net			59.702.497
5% Legal reserve		2.985.125	
Deduct: CF losses		9.970.883	
Surplus (available for distribution)			
5% Of paid up capital - (1st share)			
Shareholders	10.350.000		
Employees	1.150.000		
		11.500.000	
Total			24.456.008
Net			35.246.489
10% Remuneration of Board Members			3.524.649
Net			31.721.840
13.50% Paid up Capital - (2nd share)			
Shareholders	27.945.000		
Employees	3.105.000		
Net			31.050.000
Profits (carried forwarded) to next year			671.840

1st: Premiums:

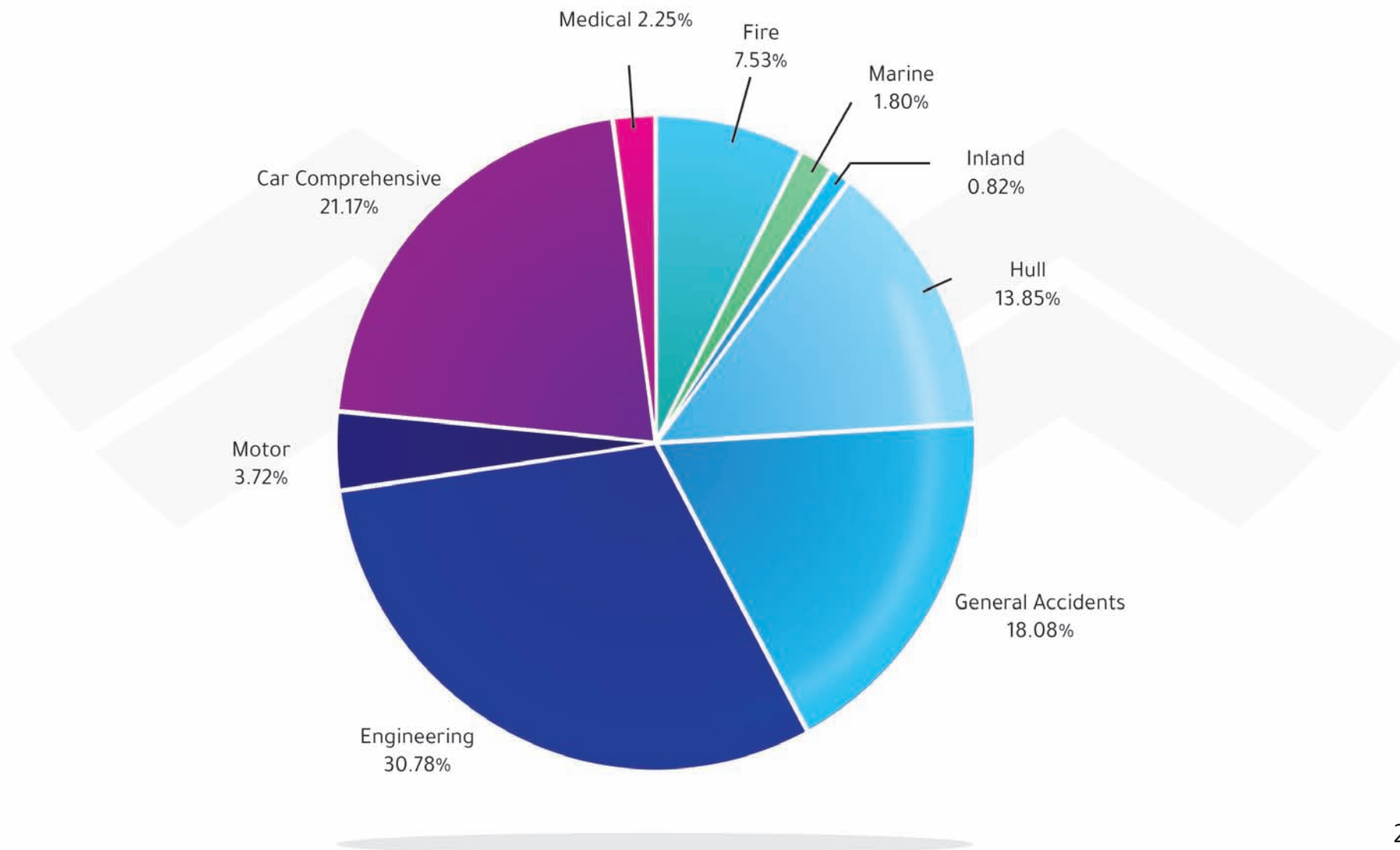
GWP for the year 2021/2022 reached to be 1,322 Billions LE versus 1,114 Billion LE for the year 2020/2021 which the company retained 621 Millions LE versus 597 Millions LE for the past year.

ITEM	2022/2021			2021/2020		
	Total	Company's Share (Retention)	Ratio to Total	Total	Company's Share (Retention)	Ratio to Total
Written Premiums	1.322.940.195	621.392.336	% 47	1.114.278.686	597.936.666	% 53.66

Growth of total premiums



Distribution of Property & Casualty Insurance premiums for the year 2021/2022



2nd: Claims

The total claims paid to the Company's clients for the year 2021/2022 reached LE 450 million against 374 millions LE for the year 2020/2021. The Company's share in such claims (retention) reached 220 millions LE against 214 millions LE, according to the following table:

ITEM	2022/2021			2021/2020		
	Total	Company's Share (Retention)	Ratio to Total	Total	Company's Share (Retention)	Ratio to Total
CLAIMS	450.115.560	220.954.224	% 49.09	374.601.429	214.122.783	% 57.16

3rd: Commissions & Insurance Brokerage Costs

Total insurance brokerage costs reached 289 millions LE during the fiscal year 2021/2022 representing 21.89 % of total written premiums against 240 millions LE representing 21.60 % for the previous year. According to the following table:

ITEM	2021/2020		2022/2021	
	Total	Percentage to total issued premiums	Total	Percentage to total issued premiums
COMMISSIONS & BROKERAGE COSTS	289.632.816	% 21.89	240.735.954	% 21.60

4th: General & Administrative Expenses

Total general expenses during the fiscal year 2021/2022 reached 211 millions LE representing 16 % of the total written premiums against 189 millions LE representing 17 % for the previous year according to the following table:

ITEM	2021/2022		2021/2020	
	Total	Percentage to total issued premiums	Total	Percentage to total issued premiums
GENERAL EXPENSES	211.298.016	% 16	189.381.865	% 17

NB: Salaries & wages reached 165 Million EGP representing 78 % of General & admin Exp for 2021/2022 against 150 Million EGP representing 79.46% for last year.

5th: Technical Reserves:

Total Technical Reserves formed at the end of the fiscal year 2021/2022 reached 833 millions LE against 678 millions LE for the year 2020/2021, with an increase of 155 millions LE representing 22.82% increase ratio according to the following table:

INSURANCE TYPE	2021/2022	2020/2021	INCREASE	INCREASE RATE
TECHNICAL RESERVES	833.596.730	678.670.376	154.926.354	% 22.82

It should be mentioned that the Company has retained all Technical Reserves to meet its obligations towards policyholders and beneficiaries in accordance with the proper Technical and practical bases and subject to the Reserves of Act 10 of 1981 as amended by Act 91 of 1995. And it has been accredited by the company's actuarial expert.

6th: Insurance Operations Debtors:

Value in Egyptian Pounds

Particulars	2022/6/30	2021/6/30
Premiums under Collection	174.446.665	96.252.516
Current Account of Insureds	89.860.821	67.062.548
Post-dated Cheques	52.564.035	34.926.912
Dishonored Cheques + subject to litigation	8.265.161	11.001.273
Total	325.136.682	209.243.249
Provision for Insurance Operation Debtors	(17.021.056)	(28.874.184)
Net	308.115.626	180.369.065

It is worth noted that the collection ratio for 2021 / 2022 reached 79.82 %.

7th: Investments:

Suez Canal Insurance | Annual Report 2021/2022

On 30/6/2022 the total investments reached EGP. 1.682 billion against EGP. 1.359 billion for the previous year, the company managed to achieve EGP. 143 million as a net return on investments with an average interest rate 9.42 %.

- The following illustrates how such investments were directed:

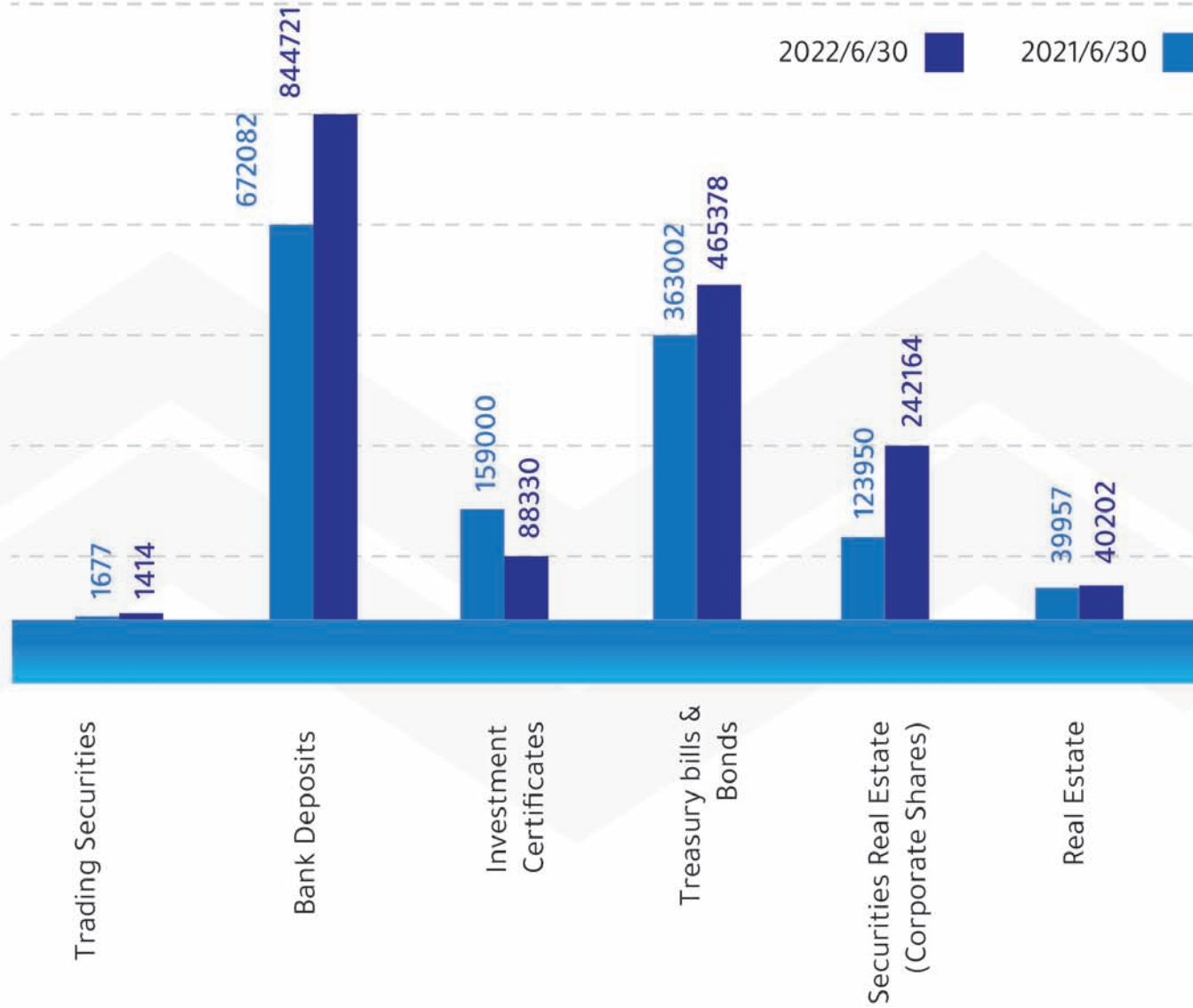
Value in Egyptian Pounds

Particulars	Value as at 30 June 2021	Weighted Percentage	Value as at 30 June 2020	Weighted Percentage
Real Estate	40.202.025	% 2.39	39.957.884	% 2.93
Securities (Corporate shares)	133.963.544	% 7.96	43.950.141	% 3.23
Treasury bills and bonds	108.200.000	% 6.44	80.000.000	% 5.88
Investment certificates(SC)	553.708.733	% 32.91	522.002.790	% 38.39
Bank deposits	844.721.621	% 50.21	672.082.976	% 49.43
Trading Securities	1.413.982	% 0.09	1.677.349	% 0.14
Total	1.682.209.905	% 100	1.359.671.140	% 100

With respect to investment portfolios, every effort was exerted to obtain the highest interest rates with the view of avoiding risks and to provide as much cash as possible to be able to perform our obligations towards policy holders and beneficiaries.

Investment Proportional Weight:

Values in thousands



8th: Financial Results of Insurance Branches

According to what was shown by the calculation of the results, it was founded that property and liability insurances achieved an activity surplus of 26.898 million EGP in 2021/2022, compared to 28.091 million EGP in 2020/2021.

9th :Net Profit

The company reached at the end of 2021/2022 net profit before tax EGP 66.183 million against EGP 45.493 million for the previous year. Net profit after tax reached EGP 60.624 million against EGP 38.791 million for the previous year.

10th: Salaries & Wages

Salaries and wages and their equivalent reached EGP 165 million representing 78% of general & Administrative expenses. Number of employees reached 862 Employees.

Governance Information



Governance Information

1- The Board of Directors of the Company consists of nine members, as follows:

Name	Title	Remark
1. Eng. Mohamed Adel Fathy	Chairman	Experts as Insurance Supervisory Act
2. Mr. Mohamed Hasan Farghaly	Managing Director	
3. Mr. Hosam EL-Din Imam Abdulsamad	Non-executive member	Representatives of El Wadi El Akhdar for Investment & Development
4. Eng. Mofeda Kamal Eldin Ibrahim Allam	Non-executive member	
5. Mr. Waleed Ibraheem Ahmed Mostafa	Non-executive member	
6. Eng. Eman Ali Ali Soliman	Non-executive member	
7. Mr. Yahia Mohamed Ali Almahgoub	Non-executive member	Representatives of the Insurance Fund for Suez Canal Authority Employees
8. Eng. Gamal Elsayed Ellaboudy	Non-executive member	
9. Eng. Mohamed Hasan Abdul Monem	Non-executive member	

2- BOD Meetings

The Board of Directors of the Company held 12 meetings which were attended by 100% of the Board members except for: Eng. Eman Ali Ali Soliman who missed one meeting.

3- Serving Community & Environment:

SCI has been participating in serving community by its keen and ongoing interest in providing cash and / Office Furniture 20% or in-kind aid to charities (organization, institutions and public hospitals) with donations and aid. These Air conditioning, Heating & 20% donations have reached 230 000 EGP during the financial year 2021/2022. Also, SCI participates in Refrigeration Systems serving the environment by providing a healthy work environment inside the Company by prohibiting in house smoking.

• Enterprise Risk Management (ERM)

As part of business development and out of company's management believe in following the international standers the ERM department do its job to protect its stakeholders; it also helped in granting credit rating for the company from one of the best credit rating agencies in the world AM Best which has assigned a Financial Strength Rating of B- (Fair) and a Long-Term Issuer Credit Rating of "bb-" to Suez Canal Insurance (SCI) (Egypt). The outlook assigned to these Credit Ratings (ratings) is stable. The ratings reflect SCI's balance sheet strength, which AM Best categorises as strong.

The company also has been assigned a B+ and AA-egy rating from FITCH Ratings with a stable outlook.

Balance Sheet as at 30 June 2022



BALANCE SHEET AS AT 30 JUNE 2022

Value in Egyptian Pounds

Description	Explanatory Note No.	30/6/2022	30/6/2021
Assets			
Cash in hand & at Banks	5	84.708.289	130.956.904
Time Deposits at banks	6	844.721.621	672.082.976
Investments at the fair value (profit & loss)	7	1.413.982	1.677.349
Available for sale investments	8	133.963.544	43.950.141
Investment in Subsidiaries	9	108.200.000	80.000.000
Held to maturity investmnts	10	553.708.733	522.002.790
Real estates	11	40.202.025	39.957.884
Total investments		1.682.209.905	1.359.671.140
Insurance operations Debtors (receivables from PH)	12	308.115.626	180.369.065
Insurance & Reinsurance Companies (Debit Balance)	13	76.804.309	64.983.168
Other Assets	14	104.299.208	92.300.920
Fixed Assets	16	64.807.747	63.780.964
Total Assets		2.320.945.084	1.892.062.161
Liabilities & Shareholders Equity			
Policyholders equity	17	833.596.730	678.670.376

Value in Egyptian Pounds

Description	Explanatory Note No.	30/6/2022	30/6/2021
Total Policyholders equity	18	833.596.730	678.670.376
Insurance & Reinsurance Companies (Credit Balance)	19	577.196.083	455.633.211
Creditors & Other Credit Balances	20	418.641.996	385.591.488
Other provisions	34	68.248.568	60.017.687
Deferred Taxes	33	26.599.259	4.491.849
Subsidiaries Credit balances		1.485.755	844.928
Total Liabilities		1.925.768.391	1.585.249.539
Shareholders Equity			
Paid up Capital	21	230.000.000	190.000.000
Reserves	2-21	40.017.161	55.452.186
Retained Losses	37	(9.970.883)	1.446.020
Net Profit for the year		60.624.393	38.791.016
Total Shareholder's Equity including profits		320.670.671	285.689.222
Paid for (Capital Increase Account)	21		15.000.000
Fair Value Reserve (Financial assets available for sale)		74.506.022	6.123.400
Total Shareholder's equity		395.176.693	306.812.622
Total Liabilities & Shareholders Equity		2.320.945.084	1.892.062.161
Contingent liabilities and commitments	38	9.412.444	8.962.363

REVENUE & EXPENSES - PROPERTY & CASUALTY AS AT 30/6/2022

Value in Egyptian Pounds

Description	Explanatory Note No.	30/6/2022	30/6/2021
Revenues			
Direct premiums	27	1.322.722.782	1.113.944.563
Inward R/I premiums	27	217.413	334.123
Gross premiums	27	1.322.940.195	1.114.278.686
Outward R/I premiums	27	701.547.859	516.342.020
Net Premiums	27	621.392.336	597.936.666
Unexpired risks reserve changes			
At the beginning of the year	17	398.294.020	287.943.702
At the end of the year	17	505.551.067	397.208.686
Earned Premiums		514.135.289	488.671.682
Outward Re-insurance commission	29	155.583.517	111.285.702
Other income	25	31.212.252	15.202.031
Total Revenues		700.931.058	615.159.415
Expenses			
Direct claims paid	28	450.302.845	373.051.601
Inward reinsurance claims Paid	28	(187.285)	1.549.828
Total claims	28	450.115.560	374.601.429
Outward Reinsurance claims Paid	28	229.161.336	160.478.646
Net claims	28	220.954.224	214.122.783

Value in Egyptian Pounds

Description	Explanatory Note No.	30/6/2022	30/6/2021
Outstanding claim reserve changes			
O/S claims at the end of the year	17	226.094.154	188.775.315
O/S claims at the beginning of the year	17	189.402.569	175.461.299
Incurred Claims		257.645.809	227.436.799
Fluctuation Reserve changes			
At the end of the year	17	101.951.509	92.686.375
At the beginning of the year	17	92.686.375	94.453.780
Direct commissions	30	91.566.035	81.368.102
Production cost		193.668.670	163.054.257
Inward reinsurance commission	29	4.398.111	(3.686.405)
Total commission & production cost	30	289.632.816	240.735.954
General & administrative expenses	31	211.298.016	189.381.865
Total expenses		767.841.775	655.787.213
Underwriting profit (loss)	22	(66.910.717)	(40.627.798)
Allocated investment income (net)	24	98.338.512	80.656.974
Provision for allocated investment	11/1	2.071.414	610.791
Impairment losses on insurance operations debtors	15	2.457.907	11.326.686
Surplus from property & casualty insurance to income statement	23	26.898.474	28.091.699

INCOME STATEMENT AS AT 30/06/2022

Value in Egyptian Pounds

Description	Explanatory Note No.	30/6/2022	30/6/2021
Profit (loss) of insurance activity	23	26.898.474	28 091 699
Total		26.898.474	28.091.699
Net income from unallocated Investments	24	44.892.676	18.603.051
Provision no longer required	25-1	4.181.828	3.209.776
Other income	25	12.900.370	13.761.377
Total revenue		88.873.348	63.665.903
Fixed assets depreciation	16-11	(4.087.541)	(3.851.004)
Provisions	20	(13.199.901)	(4.356.828)
Other expenses	26	(5.402.612)	(9.407.378)
Impairment Losses (Insurance & R/I Balances)	15		(557.556)
Net profit for the year before tax		66.183.294	45.493.137
Income tax			(6.127.909)
Deferred Tax		(5.082.272)	
مصروف الضريبة المؤجلة	34	(476.629)	(574.212)
Net Profit (Loss)		60.624.393	38.791.016
Earnings per share	32	2.64	1.72

COMPREHENSIVE INCOME STATEMENT AS AT 30/06/2022

The value is in Egyptian pounds

Statement	30/6/2021	30/6/2022
Net profit for the year after tax deduction	38.791.016	60.624.393
Other comprehensive income		
Effects of changes in foreign exchange rates (1)	923.400	(1.675.956)
Differences in evaluating financial investments at fair value through other comprehensive income		90.013.403
Deferred tax resulting from the profits of evaluating financial investments at fair value through other comprehensive income		(21.630.781)
Net differences in evaluating financial investments at fair value through other comprehensive income (2)		68.382.622
Total components of other comprehensive income for the year	923.400	66.706.666
After deduction of tax (1+2)		
Total comprehensive income for the year	39.714.416	127.331.059

CASH FLOW STATEMENT AS AT 30/6/2022

Value in Egyptian Pounds

Description	30/6/2022	30/6/2021
Cash flow from operating activities		
Profit (Loss) before income TAX	66.183.294	45.493.137
Adjustments to reconcile net profit to net cash flows from operating activities		
Depreciation and impairment losses	(10.437.664)	15.770.932
Technical reserves	154.926.354	120.676.012
Provisions (provided during the year)	13.199.901	4.356.828
Provisions (no longer required)	3.444.636	(4.187.779)
Profit (loss) from Sale of fixed assets	(921.896)	49.060
Profit(Loss) before change in assets & liabilities	226.394.625	182.158.190
(Increase) decrease in financial assets portfolio (at fair value)	368.778	(31.796)
(Increase) decrease in receivables of policyholders	(117.569.389)	52.883.073
Increase in insurance & reinsurance companies (debit balance)	(23.777.216)	7.889.969
(increase) decrease of other assets	(14.724.590)	(3.839.136)
Increase in insurance & reinsurance companies (credit balance)	121.562.872	43.717.900
(Increase) decrease in debtors & other debit balances	27.968.236	(48.102.030)
Increase in credit balances of subsidiaries	640.827	665.762
Net Cash flow from operating activities	220.864.143	235.341.932

Description	30/6/2022	30/6/2021
Cash flow from investment activities		
Decrease(increase) in time deposits at banks (mature more than 3 months)	(112.088.097)	(39.564.414)
Increase in treasury bills (mature more than 3 months)	(29.221.319)	(37.352.691)
Proceeds from / (Payment for purchase) of real estate investments	(8.702.566)	(1.753.465)
Proceeds from sale of fixed assets	5.444.678	12.000
Proceeds from / (Payment for purchase) of real estate investments	(9.371.111)	9.803.952
Payment for purchase of fixed assets	(11.239.114)	(21.105.042)
Net Cash flow from investment activities	(165.177.529)	(89.959.660)
Cash flow from financing activities		
Proceeds from issuing shares	26.500.000	
Dividends paid	(36.460.146)	(10.153.895)
Net Cash used in financing activities	(9.960.146)	(10.153.895)
Net change in cash & cash equivalent	45.726.468	135.228.377
Cash & cash equivalents at the beginning of the year	341.396.034	206.167.657
Cash & cash equivalents at the end of the year	387.122.502	341.396.034
Cash on hand and at banks	84.708.289	130.956.904
Treasury bills and other notes	119.225.243	58.579.389
Time deposits at banks	844.721.621	672.082.976
Pledged time deposits at banks	(46.031.317)	(51.425.158)
Time deposits at banks (mature more than 3 months)	(527.700.626)	(410.218.688)
Treasury bills (mature more than 3 months)	(87.800.708)	(58.579.389)
Cash & cash equivalents	387.122.502	341.396.034

The company uses an indirect method for the preparation of the statement of cash flow.

TAHYA MISR BRIDGE

Items	2017/2018	2018/2019
Premiums	938.082.015	1.006.704.618
Claims Paid	319.332.700	308.340.222
Total shareholder's Equity	442.236.467	520.633.702
Total Investments	916.732.301	1.114.183.110
Net Profits	42.230.552	59.632.704
Policyholder's equity	211.647.674	269.658.168
Paid-up Capital	140.000.000	170.000.000
Total number of employees	780	775

Value in Egyptian Pounds

2019 /2020	2020/2021	2021/2022
1.001.006.139	1.114.278.686	1.322.940.195
351.160.583	374.601.429	450.115.560
557.994.364	678.670.376	833.596.730
1.214.309.178	1.359.671.140	1.682.209.905
45.440.757	38.791.016	60.624.393
276.036.923	306.812.622	395.176.693
190.000.000	190.000.000	230.000.000
775	851	862

SUIZ CANAL INSURANCE



Complementary Explanatory Notes for the Financial Statements For the Fiscal Year ending 30 June 2022

About the Company

Suez Canal Insurance Company (an Egyptian Joint Stock Company) was incorporated on the 10th of October 1979 pursuant to law No. 159 of 1981 and the Supervision and Control law No. 10 of 1981 and its Executive Regulations. In accordance with its incorporation resolution and the License issued by the Egyptian Financial Supervisory Authority, the Company practices insurance and reinsurance in many lines of business as fire, Marine hull, Marine Cargo, Engineering, Miscellaneous, Motor Comp, Motor Act, and health care insurance through its head office located in Giza City and its 47 branches and offices in Egypt.

Bases of Preparation of the Financial Statements

The Financial Statements is prepared in accordance to the Egyptian Accounting Standards and pursuant to law No.10 and its executive regulations and to the regulations and directives issued by the Egyptian Financial Supervisory Authority and to the insurance Egyptian standers guide applied to the Egyptian insurance sector.

Pursuant to the issuance of the Egyptian Accounting Standards amended by Ministerial Decree No. 110 of 2015, the Company changed the policy of investment classification and valuation from such year by classifying financial investments depending on three items: trading investments, available for sale investments and held to maturity investments. Such items have been assessed according to the assessment basis included in the Explanatory Note No. (3-3) of the Complementary Explanatory Notes of the Financial Statements.

The preparation of Financial Statements according to the Egyptian Accounting Standards necessitates making specific accounting assessments with the management making other accounting assessments relating to the choice and implementation of the Company's accounting policies. The Complementary Explanatory Note No.3 of the Financial Statements reflects those items and elements on which salient accounting assessments were carried out. The Financial Statements were prepared in accordance with the historical cost as amended by the results of the reevaluation of the financial assets,–with the exception of those held up until their maturity date – and the financial liabilities according to their fair value.



STATEMENTS OF CHANGE IN EQUITIES FOR THE FISCAL YEAR ENDING AS AT 30 JUNE 2022

Statement	capital pounds	← reserves →		
		legal pounds	Public pounds	Capital pounds
Balance as of July 1, 2020	190.000.000	27.309.743	5.263.359	2.829.361
Converted to retained earnings settlements	-	-	-	-
Capital increase	-	-	-	-
Dividend	-	2.255.488	-	330.994
Unrealized gains from financial investments available for sale	-	-	-	-
net profit for the year	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-	-
The balance is on June 30, 2021	190.000.000	29.565.231	5.263.359	3.160.355
The balance on 1/7/2017 before the amendment settlements	-	-	-	-
The balance on 1/7/2018 before the amendment settlements	-	-	-	-
The balance is on July 1, 2021	190.000.000	29.565.231	5.263.359	3.160.355
Converted to retained earnings	-	-	-	-
Capital increase	40.000.000	-	-	-
Dividend	-	1.939.551	-	-
Unrealized gains from financial investments available for sale	-	-	-	-
Adjustments (refund what has been supported for the provision for liabilities and contingencies)	-	-	-	-
The effect of applying the criterion 47	-	-	-	-
Use standard reserve 47	-	-	-	-
What has been refunded from H/ under the capital increase account	-	-	-	-
The impact of Lease Contracts Standard No. 49	-	-	-	-
Real estate tax refund	-	-	-	-
Other comprehensive income	-	-	-	-
net profit for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
The balance is on June 30, 2022	230.000.000	31.504.782	5.263.359	3.160.355

The value is in Egyptian pounds

	Private	other	risks of application effects Standard 47	Profits/losses unrealized of financial investments Available for sale	(losses) profits stage	payer under increase capital	net profit general	Total
	pounds	pounds	pounds		pounds	pounds	pounds	pounds
	40.358	48.307	-	5.200.000	(94.962)	-	45.440.757	276.036.923
	-	-	-	-	45.440.757	-	(45.440.757)	0
	-	-	-	-	1.215.178	-	-	1.215.178
	-	-	-	-	-	-	-	0
	-	-	173.745.76	-	(45.114.953)	15.000.000	-	(10.153.895)
	-	-	-	923.400	-	-	-	923.400
	-	-	-	6.123.400	-	-	38.791.016	38.791.016
	-	-	-	6.123.400	-	-	-	6.123.400
	-	-	-	6.123.400	-	-	38.791.016	44.914.416
	40.358	48.307	17.374.576	6.123.400	1.446.020	15.000.000	38.791.016	306.812.622
	-	-	-	-	-	-	-	0
	-	-	-	-	-	-	-	0
	-	-	-	-	-	-	-	0
	-	-	-	-	-	-	-	0
	40358	48.307	17.374.576	6.123.400	1.446.020	15.000.000	38.791.016	306.812.622
	-	-	-	-	-	-	-	0
	-	-	-	-	-	(15.000.000)	-	25.000.000
	-	-	-	-	391.319	-	(38.791.016)	(36.460.146)
	-	-	-	-	-	-	-	0
	-	-	-	-	737.191	-	-	737.191
	-	-	-	-	(30.953.329)	-	-	(30.953.329)
	-	-	17.374.576	-	17.374.576	-	-	0
	-	-	-	-	1.500.000	-	-	1.500.000
	-	-	-	-	(999.143)	-	-	(999.143)
	-	-	-	-	2.208.439	-	-	2.208.439
	-	-	-	68.382.622	(1.675.956)	-	-	66.706.666
	-	-	-	-	-	-	60.624.393	60.624.393
	-	-	-	68.382.622	(1.675.956)	-	60.624.393	127.331.059
	40.358	48.307	0	74.506.022	(9.970.883)	0	60.624.393	395.176.693

EARNINGS PER SHARES

The value is in Egyptian pounds

Statement	30/6/2022	30/6/2021
net profit for the year	60.624.393	38.791.016
Board members remuneration	0	(2.735.146)
Employees' share of profits	0	(3.372.500)
Risk reserve for the effects of applying standard 47		
Shareholders share in the form of free shares		
Shareholders share in profits	60.624.393	32.683.370
Weighted average number of shares	23.000.000	19.000.000
The share per share is the shareholders' share in the year's net profits	2.64	1.72

SUBSIDIARIES DEBIT BALANCES

The value is in Egyptian pounds

Statement	30/6/2021	30/6/2022
Suez Canal Life Insurance Company	844.928	1.485.755
Total	844.928	1.485.755

Company`S TAX POSITION IN 30/6/2022





Company's Tax Position in 30/06/2022

1st: Corporate Income Tax

1- From 86/87 Till 97/98

At 27/07/2009 the dispute between SCI and the Egyptian tax authority (VIP directorate) has been settled and the sum of EGP 3 845 571 had been refunded to SCI.

For the period from 86/87 till 89/90 the Tax Directorate has filed a case before the Court of Cassation challenging the judgment issued by the Court of Appeal in favor of the Company, yet no judgment has been issued.

2- From 90/91 Till 2000/2001 : Inspection has been conducted and the payment has been made.

3- From 2001/2002 Till 2004/2005 :

As per law 174 all due tax is paid to get the benefit of exempting 90 % of fines. Thus, the company has appealed for its right to enforce law 5 in exempting the interest of deposits, investment certificates and treasury bonds from tax as the appointed expert by the court approved the exemption of deposit's interest and neglected the investments certificates and the treasury bonds and the case still in court. It worth noted that the company have a similar case in 98/2001 which she has been exempted from the tax applied to the interest of investment certificates and treasury bonds.

4- From 2005/2006 Till 2007/2009 : Inspection has been conducted and the payment has been made.

5- From 2009/2010 Till 2010/2011 : Payments were made in full for the benefit of applying law 174 of (exemptions of 90% from fines).

6- From 2011/2012 Till 2013/2014 :

Internal committee has been formed and official decision were made, EGP 6,000,000.00 were paid as adjustment. All forms are being adjusted according to that.

7- From 2014/2015 Till 2020/2021 : All tax forms were introduced, yet no inspection.

2nd: Salary Taxes :

1- Period until 2005 : Inspection conducted, dues paid in full.

2- Period from 2006 Till 2017 :

From 2006 to 2010 : An amount of 8,000,000.00 EGP was paid under payment until the claim was officially sent to the company, according to the semi-final agreement which was reached in the examination.

From 2011 to 2017 :

Inspection is in process.

3- Period from 2018 Till 2021 : Inspection is in process; Monthly underpayment installments are in place.

3rd: Stamp Duty :

A - Proportional:

(1) From Business Commencement until 30/06/2004: Inspection conducted; dues paid in full.

(2) From 01/07/2004 Till 30/06/2005 : Inspection conducted; dues paid in full.

(3) From 01/07/2006 Till 31/12/2010 : Inspection conducted; dues paid in full.

(4) From 01/01/2011 Till 30/06/2013”

Inspection conducted; dues are EGP 116,508,212.20 as follows:

- EGP 61,937,660.00 represents due tax for those years.

- EGP 2,513,295.20 represents the amount in front of the tax appeal committee (estimated tax of the miscellaneous exemptions).

- EGP 52,057,257.00 represents the 0.008 % late fines.

(5) From 01/07/2013 Till 30/06/2016 :

- Inspection conducted; dues are 129.268.138.65

- EGP. 74336568 represents due Tax for those years and the amount in front of the Tax appeal committee

- EGP. 54.931.570.65 represents the 0.008% late fines.

(6) From 01/07/2016 Till 30/06/2019 : Inspection conducted: Waiting for the form to be sent.

(7) From 01/07/2019 Till 30/06/2021 : Yet, no inspection.

B - Physical :

(1) From commencement of Business until 30/06/2004 :

Inspection conducted; dues paid with EGP 12,113.00 credit balance

(2) From 01/07/2004 Till 31/07/2006 :

Inspection conducted form 3 and form 4 were presented before the company, a dispute over it took place, therefore it was carried out to appeal committee which ended with an adjustment to the estimated tax amount to be EGP 640,525.00 which the company paid in full and filed a case in court for the disputed points.

(3) From 01/08/2006 Till 31/12/2010 : Inspection conducted; dues were paid in full.

(4) From 01/01/2011 Till 30/06/2013 : Inspection conducted; dues were paid in full.

(5) From 01/07/2013 Till 30/06/2016 : Inspection conducted; waiting for the form to be sent

(6) From 01/07/2016 Till 30/06/2021 : Yet, no inspection

(7) From 01/07/2019 Till 30/06/2021 : Inspection conducted : Waiting for the form to be sent

4 : Withholding Tax Payment is being made regularly.

5 : Value Added Taxes (VAT)

(1) From company's registration in 10th of November 2003 until 30th of June 2015 Inspection was conducted and all balances were settled.

(2) From 01/07/2015 Till 30/06/2016 : Inspection was conducted; a debit balance of EGP 50,709.00 was estimated which the company objected, and an internal inspection committee is being formed to revise it.

(3) From 01/07/2016 Till 30/06/2018 : Inspection was conducted; and the file was sent to the internal committee to study the differences.

50 (4) From 01/07/2018 till 30/06/2021 : The company submits value-added declarations regularly and pays due amounts.



BAHR AL BAQAR DRAINAGE WATER TREATMENT PLANT

(THE LARGEST WATER TREATMENT PLANT IN THE WORLD IN THE GUINNESS BOOK OF RECORDS).

Auditor's Report :

Shareholders of Suez Canal Insurance, an Egyptian joint stock company A Report on the Financial Statements

We have audited the Financial Statements of Suez Canal Insurance, an Egyptian joint stock company, represented in the Balance Sheet as at 30 June 2022, and the related statements Income, comprehensive income, Changes in Shareholders' Equity Statements, Cash Flow and Revenues and Expenses of all lines of P&C insurance for the fiscal year ended, and a summary of the salient accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements :

The Financial Statements are the responsibility of the company's management, as the management is responsible for the preparation and fair presentation of the financial statements in accordance with the Egyptian Accounting Standards and applicable Egyptian laws. Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility :

Our responsibility is limited in expressing our opinion on these Financial Statements based on our audit. We conducted our audit in accordance with the Egyptian Auditing Standards and its "insurance sector" guidelines, and pursuant to the applicable Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from any significant and material misrepresentations.

The audit involves performing procedures to obtain evidence about values and disclosures included in the Financial Statements. The selected procedures depend at the auditor's personal judgment, including the assessment of misrepresentation risk in the Financial Statements whether due to fraud or error. While assessing such risks, the auditor takes into his account the internal control relevant to the entity's preparation and fair representation of the financial statement in order to design auditing procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, and evaluating the overall presentation of the financial statements.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the above mentioned Financial Statements give a true and fair view in all material respects, of the financial position of Suez Canal Insurance Company as at 30 June 2022, and of its financial performance and its cash flows for the fiscal year ending on the same date, in accordance with the Egyptian Accounting Standards and pursuant to relevant Egyptian laws and regulations.

Report on the other Legal & Regulatory Requirements

The company maintains proper accounting records that are comply with laws and the company's articles of association and the financial statements agree with the company's records.

The financial information included in the BOD' report are prepared in accordance with law No. 159 of 1981 and its executive regulations, is in agreement with the company's records insofar as such information is recorded therein.



Auditors

A handwritten signature in blue ink, appearing to read "د. محمد هجazy".

Prof. Dr. Mohamed Abdel Aziz Hegazy
Dr. Abdel Aziz Hegazy & Co. - Horwath

Auditor's Report

On the Amended Financial Statements
of Suez Canal Insurance Company as at 30 June 2022

To SCI's Shareholders :

We have audited the attached Financial Statements of Suez Canal Insurance (an Egyptian joint stock company) pursuant to law No.159 of 1981 its amendments and executive regulations and the insurance supervision and control law No.10 of 1981 its amendments and executive regulations represented in the Balance Sheet as at 30 June 2022 with 2,321 billion EGP total assets, also we have audited income and comprehensive income statement for the period from 01/07/2021 till 30/06/2022 with 60,624 million EGP net profit , also we have audited cash flow statement; changes in Shareholders' Equity Statement and revenues and expenses statement for all property and causality insurance lines .As well as a summary of the salient accounting policies and other explanatory notes.

Responsibility of the company's management:

The Financial Statements are the responsibility of the company's management, as the management is responsible for the preparation and fair presentation of the financial statements in accordance with the adjusted Egyptian Accounting issued by the ministerial decision no. (70) at 21/06/2016, and in accordance with insurance Egyptian accounting standers guidelines No.70 of 2016 issued by FRA and to the applicable Egyptian laws. Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is limited in expressing our opinion on these Financial Statements based on our audit which has been conducted in accordance with the adjusted Egyptian Auditing Standards and pursuant to the applicable Egyptian laws. The selected procedures depend at the auditor's personal judgment, including the assessment of misrepresentation risk in the Financial Statements whether due to fraud or error. While assessing such risks, the auditor takes into his account the internal control relevant to the entity's preparation and fair representation of the financial statement in order to design auditing procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, and evaluating the overall presentation of the financial statements.

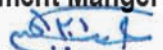
We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the financial statements.


Law and other organizing requirements

- The company maintains proper accounting records that are comply with laws and the company's articles of association and the financial statements agree with the company's records and the assets were inventoried by the company's management and in accordance with applicable standers.
- The financial information included in the BOD' report are prepared in accordance with law No. 159 of 1981 and its executive regulations, is in agreement with the company's records insofar as such information is recorded therein.

Cairo at 15/09/2022



Under Secretary
Department Manger 1st. Deputy

 Accountant / Abeer Ibrahim Hassan

Under Secretary
Department Deputy Manger

 Accountant / Moneer Mohamed Kamal Alsharief

Auditor

 Accountant / Mohamed Ahmed Abu Sere'e

Under Secretary
Department Manger

 Accountant / Amany Helmy Sedhom



قناة السويس للتأمين
Suez Canal Insurance

**HEAD OFFICE: 31 MOHAMED KAMEL MOURSI ST. – MOHANDESEEN – G.
PHONE: 37601051- 37601052 – 37601054
ANNEX BUILDING: 16 MOHAMED HAFIZ ST. – DOKKI – GIZA
PHONE: 37606868**

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AL MANYA
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BANHA
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6TH OF OCTOBER
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DRIA
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SCI

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