



Suez Canal Insurance

ANNUAL REPORT 2022/2023



قناة السويس للتأمين
Suez Canal Insurance



A family of four is sitting on a light-colored wooden floor inside a white, house-shaped frame. The father is on the left, wearing a light blue shirt and grey pants, holding the left side of the frame. The mother is on the right, wearing a blue and white striped shirt and white pants, holding the right side of the frame. A young girl is sitting in the middle, wearing a white top and blue skirt. A young boy is sitting on the right, wearing a white shirt and blue overalls. The background is a white brick wall. The word "CONTENTS" is written in blue capital letters on the right side of the image.

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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 is keen to obtain a credit Rating from the biggest Rating agencies specialized in insurance field as AMBest has confirmed a Credit Rating of 'FSR' at "B-" and "ICR"(bb-) which reflects the strength of the company's financial position that AMBest has assessed as strong. In addition to that, SCI has been credited a "NSR" from the same agency. As EG superior from the same agency which reflects the financial strength of the company amongst the insurance companies in the Egyptian market.

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.

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

- 1- Written premiums during 2022/2023 reached to be approximate 1.375 billion Egyptian pounds, versus 1.322 billion Egyptian pounds for the last year.
 - 2- Claims paid in 2022/2023 reached to be approximate 353 million Egyptian pounds, versus 450 million Egyptian pounds for the last year.
 - 3- Technical reserves in 2022/2023 reached to be approximate amount of 921.729 million Egyptian pounds, versus 833.596 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 2022/2023 reached to be 1.617 billion Egyptian pounds, versus 1.682 billion Egyptian pounds for the last year; with a return on investment for the current year reached 152 million Egyptian pounds, versus 143 million Egyptian pounds for the last year.
 - 5- As for the fiscal year ended on 30/06/2023, SCI has achieved a net profit of 72.936 million Egyptian pounds, versus 60.624 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





Mr. Mohamed Hasan Farghaly
Managing Director & CEO



Eng. Mohamed Adel Fathy
Chairman



**Mr. Waleed Ibraheem
Mostafa**



**Eng. Ahmed
Abalmajed**



**Eng. Heba Ahmed
Issa**



**Eng. Abeer Ahmed
Mohamed Morsi**



**Mr. Yahia Mohamed
Al Mahgoub**



**Eng. Gamal Elsayed
Ellaboudy**



**Mr. El Sayed Abo El Fottoh
El Sayed Farag**

Executive Management



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



Mrs. Hoda Abdeen
Sector Head
General Accidents Claims



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



Mr. Tamer Labib
Sector Head
Motor Calims



Mr. Ayman Nasif
Sector Head
Marine Hull



Ms. Hebatallah Moussa
Manager of Miscellaneous
Insurance



Mr. Mohamed Farouk
General Manager
Marine Cargo Hull



Mrs. Hebatullah Ahmed Attia
Sector Head
Fire and Burglary



Mr. Khaled Yousry
General Manager
Reinsurance



Mr. Abo Bakr Elrefaie
Sector Head
Marine Hull Claims



Mr. Ayman Hanafy
Sector Head
Fire & Burglary Claims



Mr. Hatem Attia
Sector Head
Engineering Claims



Mr. Mohamed Nada
Asst. Manager
Marine Cargo Claims



Mr. Ahmed Abdel Kareem
Vice. General Manager
Medical Claims



Mr. Ahmad Fekry
General Manager
Medical



Mr. Ayman Waly
General Manager
Motors



Mr. Ashraf Shokry
Sector Head
Information Technology



Mr. Ahmad Nour
Sector Head
Enterprise Risk Management



Mr. Yasser Murad
Sector Head
Legal Affairs



Mr. Mohamed Abdelghany
Sector Head
Inspection & Internal Control



Mr. Hazem Mohamed Gad
Manager Human Resource
Department



Mrs. Shayma Shahin
Asst. General
Manager of CRM



Mr. Ahmad Saber
Manager
Public Relations Department



Mrs. Sahar El Wakeel
Manager Information &
Decision Support Center

Executive Management

Finance and Investment



Mr. Ali Abdelgelil
Sector Head
Investments Department



Mr. Khaled Shibl
Sector Head
Balance Sheets



Mr. Samir Saad
Sector Head
Finance Department



Mr. Essam Shrara
Sector Head
Reinsurance Accounts



Mr. Mohamed Galal Ahmed
Sector Head
Financial Analysis



Mr. Ashraf Abdelrhim
Sector Head
Financial Internal Auditing



Mr. Mohamed Fawzy Hussein
Asst. General Manager
Production Accounts



Mrs. Anhar Kandeel
Sector Head
Central Collection

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 30/06/2023

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.

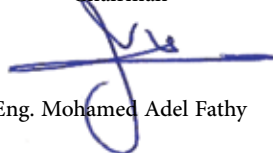
SCI continues its hard work to achieve and accomplish its goals throughout a coherent and loyal team at the highest level of efficiency and loyalty; in addition, the Company is keen to the continuous development through the development of its human resources, in order to achieve the highest levels of 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 30/06/2023:

1. Written premiums during 2022/2023 reached to be approximate 1.375 billion Egyptian pounds, versus 1.322 billion Egyptian pounds for the last year, which reflects the credibility that SCI has in the Egyptian market.
 2. Claims paid in 2022/2023 reached to be approximate 353 million Egyptian pounds, versus 450 million Egyptian pounds for the last year. Which SCI retained 187 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 17% of the released premiums, versus 16 % for the last year
 4. The Company's total technical reserves in 2022/2023 reached to be 921.729 million Egyptian pounds, versus 833.596 million Egyptian pounds for the last year, with an increase of 88.133 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 2022/2023 reached to be 1.617 billion Egyptian Pounds versus 1.682 billion Egyptian pounds. Although of the disinvestment, it makes a return of 152 Million Egyptian Pounds with an investment amounted average of 9.22% versus a return of 143 Million Egyptian pounds with an investment average of 9.42% for the last year.
 6. The Company's net profit for the fiscal year ended on 30/06/2023 reached to be of 80.582 million Egyptian pounds (Pre-tax), versus 66.183 million Egyptian pounds for the last year; thus, the Company's net profit reached to be of 72.936 million Egyptian pounds (After-tax), versus 60.624 million Egyptian pounds for the last year.
- The Return on total equity for this year reached 21 % (After-tax), versus 18 % 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 30/6/2023



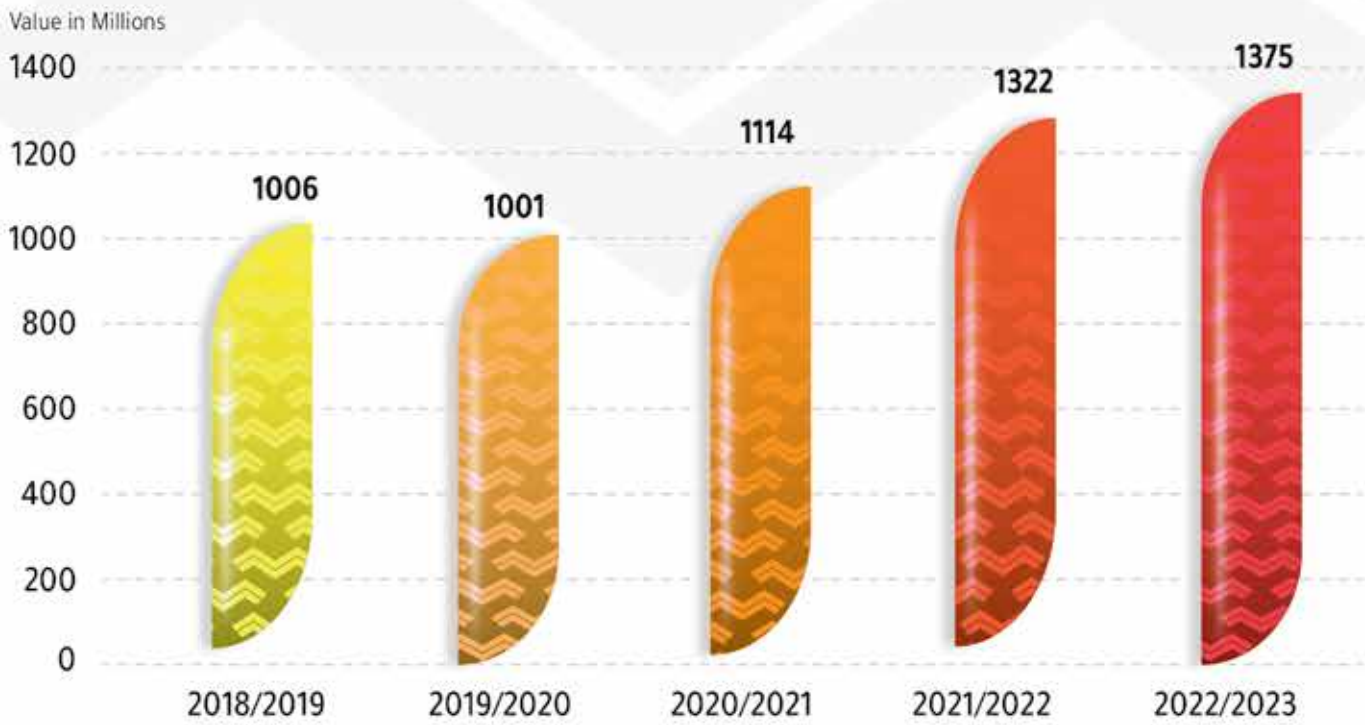
		Value in EGP	
	Net profit after tax		72.936.778
	Deduct: Capital gains to capital reserve		238.979
	Net		72.697.799
	5% Legal reserve	3.634.890	
	Deduct: CF losses	776.565	
	Surplus (available for distribution)		
	5% Of paid up capital - (1st share)		
	Shareholders	11.250.000	
	Employees	1.250.000	
	Total	12.500.000	
	Net		16.911.455
	10% Remuneration of Board Members		5.578.634
	Net		50.207.710
	19% Paid up Capital - (2nd share)		
	Shareholders	42.750.000	
	Employees	4.750.000	
	Net		47.500.000
	Profits (carried forwarded) to next year		2.707.710

1st: Premiums:

GWP for the year 2022/2023 reached to be 1,375 Billions LE versus 1,322 Billion LE for the year 2021/2022 which the company retained 567 Millions LE versus 621 Millions LE for the past year.

ITEM	2022/2023			2021/2022		
	Total	Company's Share (Retention)	Ratio to Total	Total	Company's Share (Retention)	Ratio to Total
Written Premlums	1.375.415.220	567.705.952	% 41	1.322.940.195	621.392.336	% 47

Growth of total premiums



Distribution of Property & Casualty Insurance premiums for the year 2022/2023



2nd: Claims

The Total Claims paid for the year 2022/2023 reached LE 353 million against 450 millions LE for the year 2021/2022. The Company's share in such claims (retention) reached 187 millions LE against 220 millions LE, according to the following table:

ITEM	2022/2023			2021/2022		
	Total	Company's Share (Retention)	Ratio to Total	Total	Company's Share (Retention)	Ratio to Total
CLAIMS	353.662.933	187.597.139	% 53	450.115.560	220.954.224	% 49

3rd: Commissions & Insurance Brokerage Costs

Total insurance brokerage costs reached 281 millions LE during the fiscal year 2022/2023 representing 20.45 % of total written premiums against 289 millions LE representing 21.89 % for the previous year. According to the following table:

ITEM	2022 / 2023		2021 / 2022	
	Total	Percentage to total issued premiums	Total	Percentage to total issued premiums
COMMISSIONS & BROKERAGE COSTS	281.251.030	% 20.45	289.632.816	% 21.89

4th: General & Administrative Expenses

Total general expenses during the fiscal year 2022/2023 reached 234 millions LE representing 17% of the total written premiums against 211 millions LE representing 16 % for the previous year according to the following table:

ITEM	2022 / 2023		2021 / 2022	
	Total	Percentage to total issued premiums	Total	Percentage to total issued premiums
GENERAL EXPENSES	234.406.130	% 17	211.298.016	% 16

NB: Salaries & wages reached 179 Million EGP representing 77 % of General & admin Exp for 2022/2023 against 164 Million EGP representing 77 % for last year.

5th: Technical Reserves:

Total Technical Reserves formed at the end of the fiscal year 2022/2023 reached 921 millions LE against 833 millions LE for the year 2021/2022, with an increase of 88 millions LE representing 10.57 % increase ratio according to the following table:

INSURANCE TYPE	2022/2023	2021 / 2022	INCREASE	INCREASE RATE
TECHNICAL RESERVES	921.729.802	833.596.730	88.133.072	% 10.57

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	30/6/2023	30/6/2022
Premiums under Collection	197.798.299	174.446.665
Current Account of Insureds	174.529.204	89.860.821
Post-dated Cheques	84.760.285	52.564.035
Dishonored Cheques + subject to litigation	4.946.676	8.265.161
Total	462.034.464	325.136.682
Provision for Insurance Operation Debtors	(10.582.464)	(17.021.056)
Net	451.452.000	308.115.626

It is worth noted that the collection ratio for 2022/2023 reached 74%

7th: Investments:

On 30/6/2023 the total investments reached EGP. 1.617 billion against EGP. 1.682 billion for the previous year, the company managed to achieve EGP. 152 million as a net return on investments with an average interest rate 9.22 %.

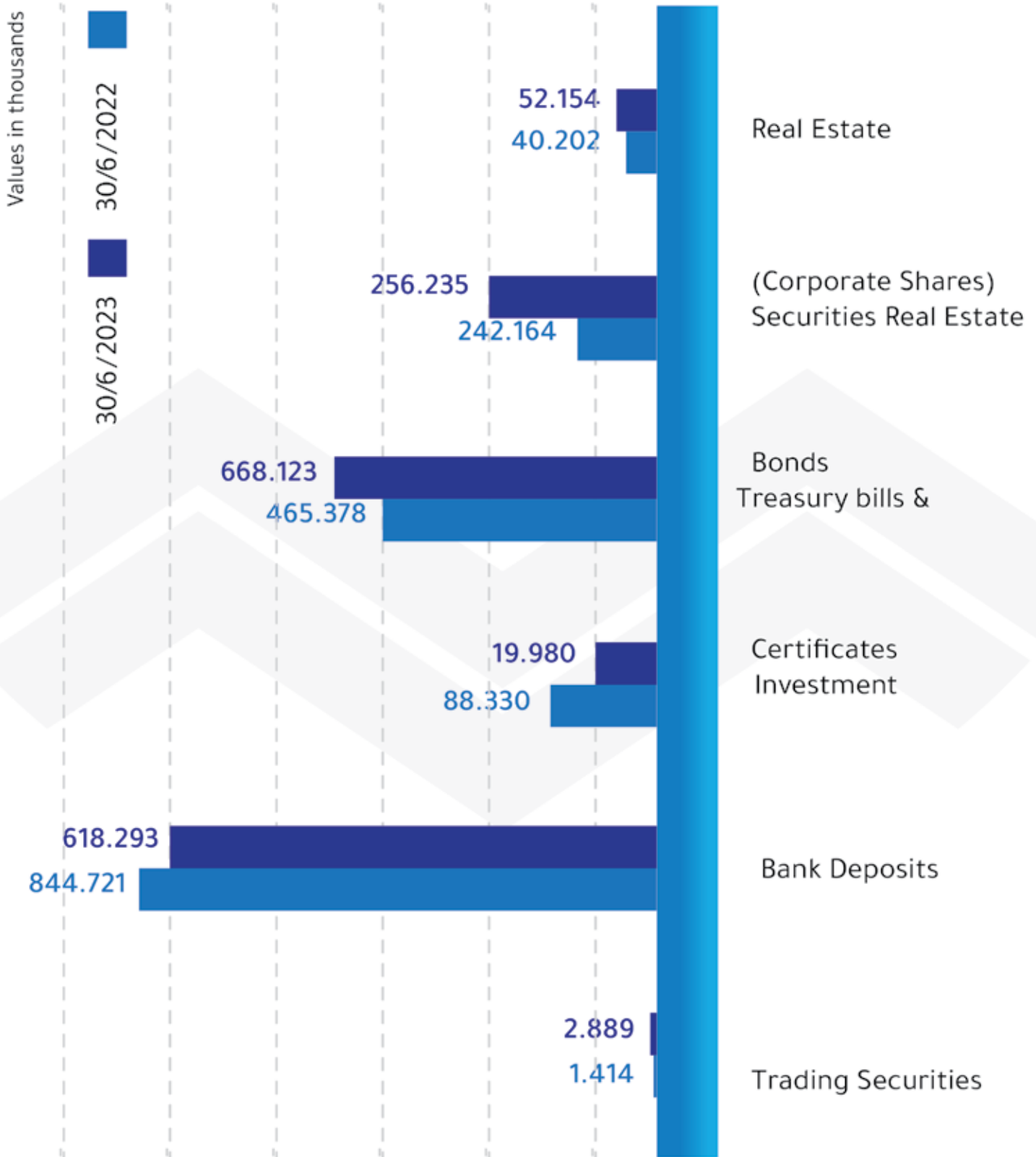
- The following illustrates how such investments were directed:

Value in Egyptian Pounds

Particulars	Value as at 30 June 2023	Weighted Percentage	Value as at 30 June 2022	Weighted Percentage
Real Estate	52.153.940	% 3.22	40.202.025	% 2.39
Securities (Corporate shares)	132.035.807	% 8.16	133.963.544	% 7.96
Treasury bills and bonds	124.200.000	% 7.67	108.200.000	% 6.44
Investment certificates(SC)	688.122.971	% 42.53	553.708.733	% 32.91
Bank deposits	618.292.056	% 38.22	844.721.621	% 50.21
Trading Securities	2.889.526	% 0.20	1.413.982	% 0.09
Total	1.617.694.300	% 100	1.682.209.905	% 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:



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 71.368 million EGP in 2022/2023, compared to 26.898 million EGP in 2021/2022 with an increase of 44.470 Million from last year.

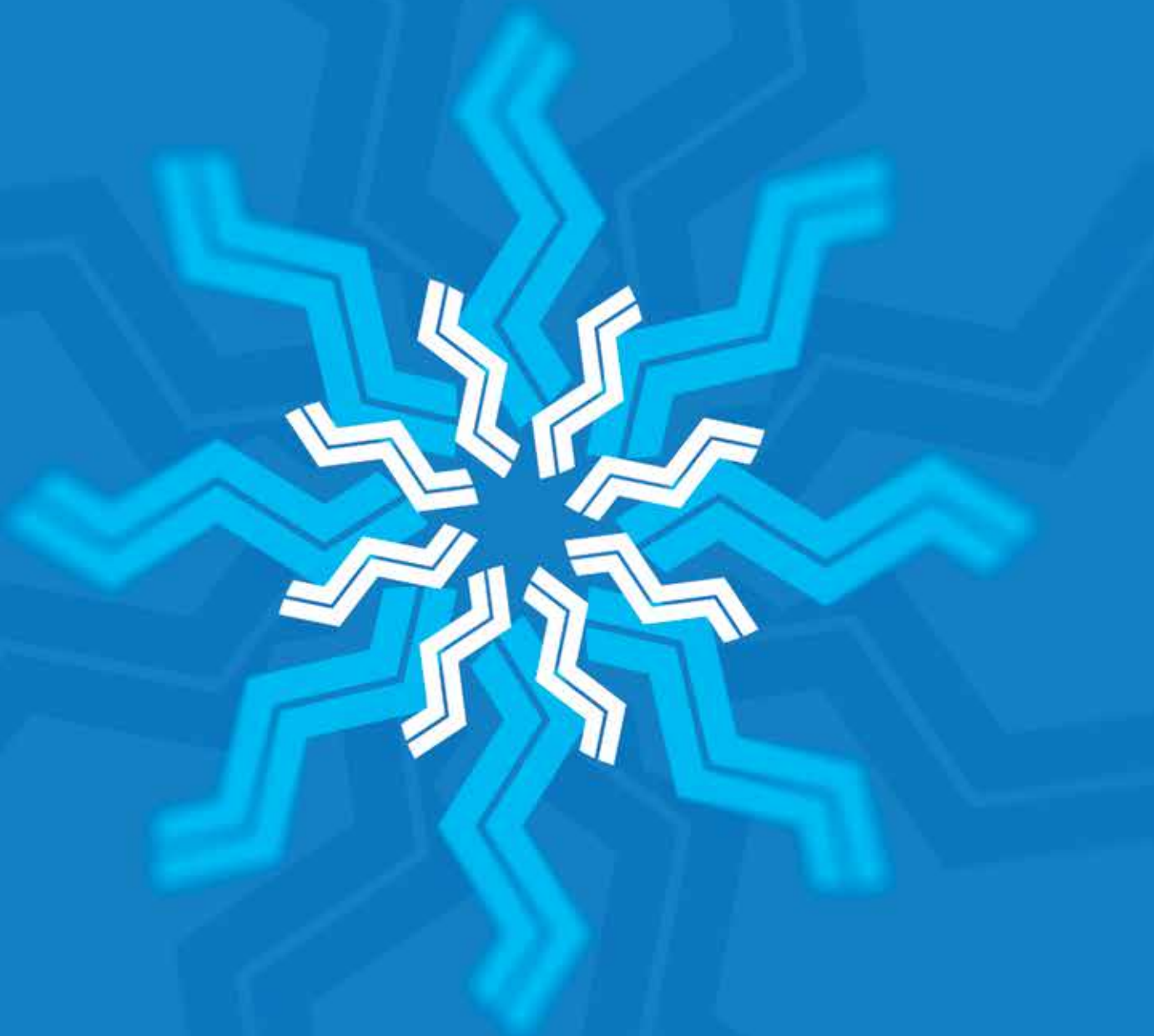
9th :Net Profit

The company reached at the end of 30/6/2023 net profit before tax EGP 80.582 million against EGP 66.183 million for the previous year. Net profit after tax reached EGP 72.936 million against EGP 60.624 million for the previous year.

10th: Salaries & Wages

Salaries and wages and their equivalent reached EGP 179 million representing 77% of general & Administrative expenses. Number of employees reached 836 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. Waleed Ibrahim Ahmed Moustafa	Non-executive member	Representatives of El Wadi El Akhdar for Investment & Development
4. Eng. Ahmed Al-Adlani	Non-executive member	
5. Eng. Heba Ahmed Issa	Non-executive member	
6. Eng. Abeer Ahmed Mohamed	Non-executive member	Representatives of the Insurance Fund for Suez Canal Authority Employees
7. Mr. Yahia Mohamed Ali Almahgoub	Non-executive member	
8. Eng. Gamal Elsayed Ellaboudy	Non-executive member	
9. Mr. Al Said Aboul Fotouh Al Said Farog	Non-executive member	

2- BOD Meetings

The Board of Directors of the Company held 13 meetings which were attended by 100% of the Board members except for: Eng. Mohamed Hassan Abd El Monaim 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 250 000 EGP during the financial year 2022/2023. 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 a part of the business development and out of the company's management believe in the importance of ERM role. The company has established this department during the first quarter of the Fiscal year 2014/2015 in order to protect its stakeholders from different kinds of risks such as (Strategic Risks, Operational Risks, Financial Risks, the Market Risks, etc...).

The establishment of this department helped in granting Credit Rating for the company from one of the biggest credit rating agencies in the world. AM Best has assigned a Financial Strength Rating of (B-) "FSR" and a long term issuer credit rating of (bb-) "ICR".

In addition to a local Credit Rating of "NSR" "aa.EG.Superior". These ratings reflect SCI's Balance Sheet Strength and enhance the company statute in the Insurance Market on both scales (Locally and Internationally)

**Balance Sheet as at
30 June 2023**



Balance Sheet as at 30 June 2023

Value in Egyptian Pounds

Description	Explanatory Note No.	30/6/2023	30/6/2022
Assets			
Cash in hand & at Banks	5	189.781.568	84.708.289
Time Deposits at banks	6	618.292.056	844.721.621
Investments at the fair value (profit & loss)	7	2.889.526	1.413.982
Available for sale investments	8	132.035.807	133.963.544
Investment in Subsidiaries	9	124.200.000	108.200.000
Held to maturity investmnts	10	688.122.971	553.708.733
Real estates	11	52.153.940	40.202.025
Total investments		1.617.694.300	1.682.209.905
Insurance operations Debtors (receivables from PH)	12	451.452.000	308.115.626
Insurance & Reinsurance Companies (Debit Balance)	13	40.053.751	76.804.309
Other Assets	14	91.323.253	104.299.208
Fixed Assets	16-1	3.979.308	5.734.627
Fixed Assets	16	58.135.636	59.073.120
Total Assets		2.452.419.816	2.320.945.084
Liabilities & Shareholders Equity			
Policyholders equity	17	921.729.802	833.596.730
Total Policyholders equity		921.729.802	833.596.730
Insurance & Reinsurance Companies (Credit Balance)	18	786.642.113	577.196.083
Creditors & Other Credit Balances	19	235.793.858	411.646.076
	19-1	5.200.637	6.995.920
Usufruct Obligation	20	42.046.489	68.248.568
Other provisions	34	45.862.044	26.599.259
Deferred Taxes	33	742.179	1.485.755
Subsidiaries Credit balances		2.038.017.122	1.925.768.391
Total Liabilities			
Shareholders Equity			
	21	250.000.000	230.000.000
Paid up Capital	21-1	43.924.182	40.017.161
Reserves	37	(776.565)	(9.970.883)
Retained Losses		72.936.778	60.624.393
Net Profit for the year		366.084.395	320.670.671
Total Shareholder's Equity including profits			
Fair Value Reserve (Financial assets available for sale)		48.318.299	74.506.022
Total Shareholder's equity		414.402.694	395.176.693
Total Liabilities & Shareholders' Equity		2.452.419.816	2.320.945.084
Contingent liabilities and commitments	38	4.968.946	9.412.444

Revenue & Expenses - Property & Casualty As at 30/6/2023

Value in Egyptian Pounds

Description	Explanatory Note No.	30/6/2023	30/6/2022
Revenues			
Direct premiums	27	1,375,308,739	1,322,722,782
Inward R/I premiums	27	106,481	217,413
Gross premiums	27	1,375,415,220	1,322,940,195
Outward R/I premiums	27	807,709,268	701,547,859
Net Premiums	27	567,705,952	621,392,336
Unexpired risks reserve changes			
At the beginning of the year	17	509,508,595	398,294,020
At the end of the year	17	531,351,960	505,551,067
Earned Premiums		545,862,587	514,135,289
Outward Re-insurance commission	29	168,126,486	155,583,517
Other income	25	17,795,171	31,212,252
Total Revenues		731,784,244	700,931,058
Expenses			
Direct claims paid	28	344,914,149	450,302,845
Inward reinsurance claims Paid	28	8,748,784	(187,285)
Total claims	28	353,662,933	450,115,560
Outward Reinsurance claims Paid	28	166,065,794	229,161,336
Net claims	28	187,597,139	220,954,224
Outstanding claim reserve changes			
O/S claims at the end of the year	17	273,643,094	226,094,154
O/S claims at the beginning of the year	17	228,787,017	189,402,569
Incurred Claims		232,453,216	257,645,809
Fluctuation Reserve changes			
At the end of the year	17	116,734,748	101,951,509
At the beginning of the year	17	101,951,509	92,686,375
Direct commissions	30	79,468,095	91,566,035
Production cost		189,800,329	193,668,670
Inward reinsurance commission	29	11,982,606	4,398,111
Total commission & production cost	30	281,251,030	289,632,816
General & administrative expenses	31	234,406,130	211,298,016
Total expenses		762,893,615	767,841,775
Underwriting profit (loss)			
	22	(31,109,371)	(66,910,717)
Allocated investment income (net)	24	100,293,881	98,338,512
Provision for allocated investment	11/1	(2,659,577)	2,071,414
Impairment losses on insurance operations debtors	15	475,493	2,457,907
Surplus from property & casualty insurance to Income statement	23	71,368,594	26,898,474

Income Statement As at 30/06/2023

Value in Egyptian Pounds

Description	Explanatory Note No.	30/6/2023	30/6/2022
Profit (loss) of insurance activity	23	71.368.594	26.898.474
Total		71.368.594	26.898.474
Net income from unallocated Investments	24	51.974.347	44.892.676
Provision no longer required	25-1	3.867.758	4.181.828
Other income	25	20.209.664	12.900.370
Total revenue		147.420.363	88.873.348
Custom Property detuction unafocated	11	(101.588)	(93.950)
Fixed assets depreciation	16	(3.888.047)	(3.993.591)
Provisions	20	(32.727.057)	(13.199.901)
Other expenses	26	(34.039.408)	(5.402.612)
Impairment Losses (Insurance & R/I Balances)	15	3.918.655	
Net profit for the year before tax		80.582.918	66.183.294
Income tax		(6.913.391)	(5.082.272)
Deferred Tax	34	(732.749)	(476.629)
Deferred Tax expere			
Net Profit (Loss)		72.936.778	60.624.393
Earnings per share	32	2.92	2.64

Comprehensive INCOME STATEMENT As at 30/06/2023

The value is in Egyptian pounds

Statement	30/6/2023	30/6/2022
Net profit for the year after tax deduction	72.936.778	60.624.393
Other comprehensive income		
Effects of changes in foreign exchange rates (1)		(1.675.956)
Differences in evaluating financial investments at fair value through other comprehensive income	82.355.716	90.013.403
Deferred tax resulting from the profits of evaluating financial investments at fair value through other comprehensive income	(18.530.036)	(21.630.781)
Net differences in evaluating financial investments at fair value Through other comprehensive income (2)	63.825.680	68.382.622
Total components of other comprehensive income for the year After deduction of tax (1+2)	63.825.680	66.706.666
Total comprehensive income for the year	136.762.458	127.331.059

CASH FLOW STATEMENT AS AT 30/6/2023

Value in Egyptian Pounds

Description	30/6/2023	30/6/2022
Cash flow from operating activities		
Profit (Loss) before income TAX	80.582.918	66.183.294
Adjustments to reconcile net profit to net cash flows from operating activities		
Depreciation and impairment losses	(4.731.969)	(10.437.664)
Technical reserves	88.133.072	154.926.354
Provisions (provided during the year)	32.727.057	13.199.901
Provisions (no longer required)	(3.867.758)	3.444.636
Profit (loss) from Sale of fixed assets	(157.203)	(921.896)
Profit(Loss) before change in assets & liabilities	192.686.117	226.394.625
(Increase) decrease in financial assets portfolio (at fair value)	(1.525.166)	368.778
(Increase) decrease in receivables of policyholders	(136.897.782)	(117.569.389)
Increase in insurance & reinsurance companies (debit balance)	40.669.213	(23.777.216)
(increase) decrease of other assets	7.908.953	(14.724.590)
Increase in insurance & reinsurance companies (credit balance)	209.446.030	121.562.872
(Increase) decrease in debtors & other debit balances	(166.030.856)	27.968.236
Increase in credit balances of subsidiaries	(743.576)	640.827
Net Cash flow from operating activities	145.512.933	220.864.143
Cash flow from investment activities		
Decrease(increase) in time deposits at banks (mature more than 3 months)	184.520.025	(112.088.097)
Increase in treasury bills (mature more than 3 months)	(121.886.795)	(29.221.319)
Proceeds from / (Payment for purchase) of real estate investments	(65.302.895)	(8.702.566)
Proceeds from sale of fixed assets	2.277.385	5.444.678
Proceeds from / (Payment for purchase) of real estate investments	(11.635.658)	(9.371.111)
Payment for purchase of fixed assets	(3.384.304)	(11.239.114)
Net Cash flow from investment activities	(15.412.242)	(165.177.529)
Cash flow from financing activities		
Proceeds from issuing shares	20.000.000	26.500.000
Dividends paid	(46.074.660)	(36.460.146)
Net Cash used in financing activities	(26.074.660)	(9.960.146)
Net change in cash & cash equivalent	104.026.031	45.726.468
Cash & cash equivalents at the beginning of the year	387.122.502	341.396.034
Cash & cash equivalents at the end of the year	491.148.533	387.122.502
Cash on hand and at banks	189.781.568	84.708.289
Treasury bills and other notes	281.472.226	119.225.243
Time deposits at banks	618.292.056	844.721.621
Pledged time deposits at banks	(44.957.854)	(46.031.317)
Time deposits at banks (mature more than 3 months)	(343.658.934)	(527.700.626)
Treasury bills (mature more than 3 months)	(209.780.529)	(87.800.708)
Cash & cash equivalents	491.148.533	387.122.502

TAHYA MISR BRIDGE

Value in Egyptian Pounds

Items	2017/2018	2018/2019	2019/2020
Premiums	938.082.015	1.006.704.618	1.001.006.139
Claims Paid	319.332.700	308.340.222	351.160.583
Total shareholder's Equity	442.236.467	520.633.702	557.994.364
Total Investments	916.732.301	1.114.183.110	1.214.309.178
Net Profits	42.230.552	59.632.704	45.440.757
Policyholder's equity	211.647.674	269.658.168	276.036.923
Paid-up Capital	140.000.000	170.000.000	190.000.000
Total number of employees	780	775	775



2020/2021

2021/2022

2022/2023

1.114.278.686

1.322.940.195

1.375.415.220

374.601.429

450.115.560

353.662.933

678.370.376

833.596.730

921.729.802

1.359.671.140

1.682.209.905

1.617.694.300

38.791.016

60.624.393

72.936.778

306.812.622

395.176.693

414.402.694

190.000.000

230.000.000

250.000.000

851

862

836





Complementary Explanatory Notes for the Financial Statements For the Fiscal Year ending 30 June 2023

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 29 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. With the added requirements to the Egyptian Accounting Standards No. 47 " The financial Instruments" according to the regulations issued by the Egyptian Financial Regulatory Authority. In addition to the amended Egyptian Accounting Standards issued in 2019 and its amendments and the relevant local law regulations. Starting from 1/7/2021 and accordance to the Egyptian Financial Regulatory Authority directive for the implementation of the Egyptian Accounting Standards No. 47 " The Financial Instruments" the company's management has prepared the periodic financial statements ended in 31th of December 2021 by adjusting some accountant policies and measurements base

STATEMENTS OF CHANGE IN EQUITIES FOR THE FISCAL

Statement	capital	reserves		
		legal	Public	Capital
	pounds	pounds	pounds	pounds
Balance as of July 1, 2021	190.000.000	29.565.231	5.263.359	3.160.355
Capital increase	40.000.000	-	-	-
Dividend settlements	-	1.939.551	-	-
The effect of applying the criterion 47	-	-	-	-
Auditors Report	-	-	-	-
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	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance as at 30 June 2022	230.000.000	31.504.782	52.63.359	3.160.355
Balance as at 1 July 2022	230.000.000	31.504.782	52.63.359	3.160.355
Carried forward Profits	-	-	-	-
Capital increase	20.000.000	-	-	-
Dividend	-	2.985.125	-	921.896
foreign Currency exchange rate	-	-	-	-
Accountance to the prime ministerial decision no.1847 at 2023	-	-	-	-
settlements for freign currency exchange rate	-	-	-	-
Adjustments (refund what has been supported for the provision for liabilities and contingencies)	-	-	-	-
value of fair value valuation	-	-	-	-
settlements	-	-	-	-
Other comprehensive income	-	-	-	-
Net profit for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
The balance is on June 30 2022	250.000.000	34.489.907	5.263.359	4.082.251

YEAR ENDING AS AT 30 JUNE 2023

The value is in Egyptian pounds

	Private	other	reversal of application effects Standard 47	Profit/losses unrealized of financial investments Available for sale	(losses) profit stage	layer under increase capital	net profit general	Total
	pounds	pounds	pounds	pounds	pounds	pounds	pounds	pounds
	40,358	48,307	17,374,576	6,123,400	1,446,020	15,000,000	38,791,016	306,812,622
	-	-	-	-	-	15,000,000	-	25,000,000
	-	-	-	-	391,319	-	(38,791,016)	(36,460,146)
	-	-	-	-	737,191	-	-	737,191
	-	-	-	-	(30,953,329)	-	-	(30,953,329)
	-	-	(17,374,576)	-	17,374,576	-	-	-
	-	-	-	-	1,500,000	-	-	1,500,000
	-	-	-	-	(999,143)	-	-	(999,143)
	-	-	-	-	2,208,439	-	-	2,208,439
	-	-	-	-	-	-	60,624,393	127,331,059
	-	-	-	68,382,622	(1,675,956)	-	60,624,393	60,624,393
	-	-	-	-	(1,675,956)	-	-	66,706,666
	40,358	48,307	-	68,382,622	(9,970,883)	-	121,248,786	455,801,086
	40,358	48,307	-	74,506,022	(9,970,883)	-	60,624,393	395,176,693
	-	-	-	74,506,022	-	-	-	-
	-	-	-	-	-	-	-	20,000,000
	-	-	-	-	10,642,712	-	(60,624,393)	(46,074,660)
	-	-	-	-	(28,506,814)	-	-	(28,506,814)
	-	-	-	-	-	-	-	-
	-	-	-	-	28,506,814	-	-	28,506,814
	-	-	-	-	-	-	-	(90,013,403)
	-	-	-	(90,013,403)	-	-	-	-
	-	-	-	-	-	-	-	(1,448,394)
	-	-	-	-	(1,448,394)	-	-	(63,825,680)
	-	-	-	63,825,680	-	-	-	-
	-	-	-	-	-	-	72,936,778	72,936,778
	-	-	-	63,825,680	-	-	72,936,778	136,762,458
	40,358	48,307	-	48,318,299	(776,565)	-	(72,936,778)	414,402,694

Earnings per Shares

The value is in Egyptian pounds

Statement	30/6/2023	30/6/2022
net profit for the year	72.936.778	60.624.393
Board members remuneration	0	(3.524.649)
Employees' share of profits	0	(4.255.000)
Shareholders share in profits	72.936.778	52.844.744
Weighted average number of shares	25.000.000	23.000.000
The share per share is the shareholders' share in the year's net profits	2.92	2.30

Subsidiaries debit balances

The value is in Egyptian pounds

Statement	30/6/2023	30/6/2022
Suez Canal Life Insurance Company	742.179	1.485.755
Total	742.179	1.485.755

Company`S TAX POSITION IN 30/6/2023





Company's Tax Position in 30/06/2023

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 another case has been field. A final verdict has been granted in the favor of the company's and waiting for the executory formula to be applied.

The Taxes section detailed as following:

The value is in Egyptian pounds

The Taxes	2001/2002	2002/2003	2003/2004	2004/2005	Total
Inspection	16.931.084	14.888.794	15.055.883	14.891.944	61.767.705
The Internal Committee and Appeal	10.906.686	7.294.949	5.959.333	7.648.506	31.809.474
The Court's Verdict	5.395.852	2.875.640	1.352.343	2.265.688	11.889.523

According to above a sum of 11,889,523 out of 61,767,705 has been paid in full with a deduction of 81%.

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 taxes forms were introduced and inspection is in process.

8- From 2019/2020 Till 2022/2023 : No inspection yet.

2nd: Salary Taxes :

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

2- From 2006 to 2010 : An Inspection was conducted & the company objected, and an internal Inspection Committee is being formed to revise it .

3- Period from 2011 Till 2020 : Inspection is in process; Monthly underpayment installments are in place.

4- Period from 2021 Till 30/6/2023 : dues are paid in full digitally.

3rd: Stamp Duty :

(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 paid in full.

(5) From 01/07/2013 Till 30/06/2016 : Inspection conducted; dues paid in full.

(6) From 01/07/2016 Till 30/06/2019 : Inspection conducted; dues paid in full.

(7) From 01/07/2019 Till 30/06/2023 : Yet, no inspection.

4 : Value Added Taxes (VAT)

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

(2) From 1/07/2015 till 30/06/2016: Inspection was conducted; debit balance of EGP 50,709,00 was estimated and the due amounts were paid.

(3) From 01/07/2016 till 30/06/2018: Inspection was conducted and a debit balance of 31 61507 was estimated which the company objected and an internal inspection committee is being formed and the file was sent to the appeal committee and an amount of 12 3650,00 was estimated with a saving rates of 96% and the amounts were paid.

(4) from 01/07/2018 till 30/06/2021: Inspection was conducted debit balance of 76 619 was estimated and the due amounts were paid.

(5) from 01/07/2021 till 30/06/2023: The company submits value added declarations regularly .yet, no inspection.



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 2023, 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 2023, 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.

Cairo at 31th of August 2023

By the 13th of September 2023, the following adjustments to the financial statements has been made. Commission by 1.2 Million to both medical and fire departments, foreign currencies losses by 1.050Million.

In addation, a reduction to taxes provision by 2.5Million.



Auditors

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 2023

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 2023 with 2,452 billion EGP total assets, also we have audited income and comprehensive income statement for the period from 01/07/2022 till 30/06/2023 with 72,937 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 14/09/2023

Under Secretary
Department Manger



Accountant / Abeer Ibrahim Hassan



محاسبة / مزة عبد الفتاح عبد الحميد



Accountant / Moneer Mohamed Kamal Alsharief





قناة السويس للتأمين
Suez Canal Insurance



10TH OF RAMADAN
SHEBEEN EL KOM
TANTA
ZAGAZIG
EL MANSOURA
HELIOPLIS – EL AHRAM
DAMNHOOR
ALEXANDRIA
EL AMREYA

FAYOUM
AL MANYA
SOHAG
LUXOUR
ASWAN
BENI SUEF
KAFR EL SHEIKH

GREATER CAIRO
NOBAR
MOSSADAQ
BUSINESS MEN
SHOBRA
BANHA
MADDI
HELIOPLIS –TRIUMPH
6TH OF OCTOBER
ARAB CONSTRUCTION CLUB
BORG EL ARAB
EL AZARITA – ALEXAN-
DRIA
SUEZ
ADABYA PORT OFFICE
ISMALLIA
ISMALLIA ANNEX
GENERAL AUTHORITY
FOR INVESTMENTS IN IS-



SCI

Since 1979

