

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

**INTERIM CONDENSED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT (UNAUDITED)  
FOR THE THREE AND SIX MONTH PERIODS ENDED  
JUNE 30, 2022**

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

**INTERIM CONDENSED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS'  
REVIEW REPORT (UNAUDITED)  
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

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

To The Shareholders of  
Walaa Cooperative Insurance Company  
(A Saudi Joint Stock Company)  
Al Khobar  
Kingdom of Saudi Arabia

**Introduction**

We have reviewed the accompanying interim condensed statement of financial position of Walaa Cooperative Insurance Company (A Saudi Joint Stock Company) ("the Company") as at June 30, 2022, the related interim condensed statements of income and comprehensive income for the three and six month periods then ended, and the interim condensed statements of changes in equity and cash flows for the six month period then ended, and the related notes which form integral part of these interim condensed financial statements. Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Accounting Standard ("IAS") 34, 'Interim Financial Reporting' as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

**Scope of review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" that is endorsed in the Kingdom of Saudi Arabia. A review of interim condensed financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements of Walaa Cooperative Insurance Company are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as endorsed in the Kingdom of Saudi Arabia.

Al Azem & Al Sudairy, Al Shaikh & Partners  
For Professional Consulting  
P. O. Box 10504  
Riyadh 11443  
Kingdom of Saudi Arabia

El Sayed El Ayouty & Co.  
Certified Public Accountants  
P. O. Box 780  
Jeddah 21421  
Kingdom of Saudi Arabia



Abdullah M. Al Azem  
License No. 335



Abdullah Ahmed Balamesh  
License No. 345



11 August 2022G  
13 Muharram 1444H



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

**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2022**

	Notes	June 30, 2022 - (Unaudited)	December 31, 2021 - (Audited)
SAR'000			
<b>ASSETS</b>			
Cash and cash equivalents	5	570,799	325,055
Short term deposits		200,000	201,659
Long term deposits		50,000	100,000
Premiums and reinsurers' receivable - net	6	725,735	582,129
Reinsurers' share of unearned premiums	8.2	618,200	538,598
Reinsurers' share of outstanding claims	8.1	325,733	338,919
Reinsurers' share of claims incurred but not reported	8.1	143,619	149,655
Reinsurer's share of mathematical reserves		99,545	123,696
Deferred policy acquisition costs		44,496	36,476
Investments	7	733,231	773,236
Due from shareholders' operations		6,579	4,437
Prepaid expenses and other assets		131,453	97,401
Property and equipment, net	9	29,471	30,969
Intangible assets		36,566	37,713
Goodwill		24,415	24,415
Statutory deposit		64,640	64,640
Accrued income on statutory deposit		11,089	10,764
Accrued commission income		6,645	7,419
<b>TOTAL ASSETS</b>		<b>3,822,216</b>	<b>3,447,181</b>



Chief Financial Officer



Chief Executive Officer



Board Member

The accompanying notes 1 to 22 form an integral part of these interim condensed financial statements.

WALAA COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT JUNE 30, 2022

	Notes	June 30, 2022 - (Unaudited)	December 31, 2021 - (Audited)
SAR'000			
<b>LIABILITIES</b>			
Policyholders claims payable		54,512	47,658
Accrued and other liabilities	10	250,085	190,702
Reinsurers' balances payable		473,544	335,026
Unearned premiums	8.2	1,260,054	1,074,103
Unearned reinsurance commission		40,025	31,258
Outstanding claims	8.1	522,495	480,616
Claims incurred but not reported	8.1	262,008	266,202
Gross mathematical reserves		99,545	123,696
Additional premium reserves	8.1	8,269	9,054
Other technical reserves	8.1	7,325	7,701
Due to insurance operations		6,579	4,437
End-of-service indemnities		22,519	21,982
Zakat and income tax	15	34,427	31,208
Accrued commission income payable to SAMA		11,089	10,764
Surplus distribution payable		2,148	2,148
<b>TOTAL LIABILITIES</b>		<b>3,054,624</b>	<b>2,636,555</b>
<b>EQUITY</b>			
Share capital	16	646,397	646,397
Share premium	16	103,277	103,277
Statutory reserve		63,327	63,327
Fair value reserve gain on investment		29,617	38,522
Accumulated losses		(74,879)	(40,750)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>767,739</b>	<b>810,773</b>
Re-measurement reserve of defined benefit obligation – related to insurance operations		(147)	(147)
<b>TOTAL EQUITY</b>		<b>767,592</b>	<b>810,626</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>3,822,216</b>	<b>3,447,181</b>
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Chief Financial Officer



Chief Executive Officer



Board Member

The accompanying notes 1 to 22 form an integral part of these interim condensed financial statements.

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

**INTERIM CONDENSED STATEMENT OF INCOME (UNAUDITED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

	Notes	For the three months period		For the six months period	
		ended June 30,		ended June 30,	
		2022	2021	2022	2021
		SAR'000		SAR'000	
<b><u>REVENUES</u></b>					
Gross premiums written					
- Direct		961,029	799,992	1,353,918	1,140,425
- Reinsurance		45,943	42,568	47,340	45,493
	8.2	1,006,972	842,560	1,401,258	1,185,918
Reinsurance premiums ceded					
- Local ceded		(1,359)	(3,688)	(2,890)	(8,849)
- Foreign ceded		(605,155)	(554,627)	(688,478)	(649,535)
	8.2	(606,514)	(558,315)	(691,368)	(658,384)
Excess of loss expenses	8.2	(1,449)	(1,409)	(2,988)	(2,881)
<b>Net premiums written</b>		<b>399,009</b>	<b>282,836</b>	<b>706,902</b>	<b>524,653</b>
Changes in unearned premiums		(355,573)	(304,028)	(185,951)	(266,030)
Changes in reinsurance share of unearned premiums		285,301	278,109	79,602	218,209
<b>Net premiums earned</b>		<b>328,737</b>	<b>256,917</b>	<b>600,553</b>	<b>476,832</b>
Reinsurance commissions		21,539	17,963	39,297	28,176
Other underwriting income		3,267	39	3,304	761
<b>TOTAL REVENUES</b>		<b>353,543</b>	<b>274,919</b>	<b>643,154</b>	<b>505,769</b>
<b><u>UNDERWRITING COSTS AND EXPENSES</u></b>					
Gross claims paid		252,016	273,670	511,796	485,577
Surrenders and maturities		6,564	6,183	19,735	10,363
Expenses incurred related to claims		9,554	3,891	18,961	10,845
Reinsurers' share of claims paid		(22,413)	(88,240)	(59,335)	(103,466)
<b>Net claims and other benefits paid</b>		<b>245,721</b>	<b>195,504</b>	<b>491,157</b>	<b>403,319</b>
Changes in outstanding claims		26,974	118,923	41,879	154,278
Changes in reinsurance share of outstanding claims		(412)	(102,851)	13,186	(122,455)
Changes in IBNR		9,614	61,584	(4,194)	48,414
Changes in reinsurance share of IBNR		(8,110)	(51,921)	6,036	(47,828)
<b>Net claims and other benefits incurred</b>		<b>273,787</b>	<b>221,239</b>	<b>548,064</b>	<b>435,728</b>
Additional premium reserves		(4,681)	(2,401)	(785)	(13,935)
Other technical reserves		223	170	(376)	572
Policy acquisition costs		20,231	13,492	39,018	27,816
Other underwriting expenses		33,757	16,756	60,759	38,061
<b>TOTAL UNDERWRITING COSTS AND EXPENSES</b>		<b>323,317</b>	<b>249,256</b>	<b>646,680</b>	<b>488,242</b>
<b>NET UNDERWRITING INCOME/ (LOSS)</b>		<b>30,226</b>	<b>25,663</b>	<b>(3,526)</b>	<b>17,527</b>



Chief Financial Officer



Chief Executive Officer



Board Member

The accompanying notes 1 to 22 form an integral part of these interim condensed financial statements.

WALAA COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF INCOME (UNAUDITED) (CONTINUED)  
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022

	Notes	For the three months period ended June 30,		For the six months period ended June 30,	
		2022	2021	2022	2021
		SAR'000		SAR'000	
<b><u>OTHER OPERATING (EXPENSES) / INCOME</u></b>					
Reversal/ (allowance) for doubtful debts		13,523	(4,243)	(842)	(5,998)
General and administrative expenses		(36,928)	(35,930)	(73,602)	(71,799)
Commission income		4,435	9,953	8,464	14,163
Dividend income on investments		3,751	4,954	7,703	6,211
Realized (loss)/ gain on investments		(874)	4,711	29,579	17,924
Unrealized (loss)/ gain on investments		(9,451)	5,429	4,595	8,652
<b>TOTAL OTHER OPERATING EXPENSES</b>		<b>(25,544)</b>	<b>(15,126)</b>	<b>(24,103)</b>	<b>(30,847)</b>
<b>Total income/ (loss) for the period before zakat and income tax</b>		<b>4,682</b>	<b>10,537</b>	<b>(27,629)</b>	<b>(13,320)</b>
Zakat for the period	15	(2,000)	(3,650)	(6,500)	(7,400)
<b>Total income/ (loss) for the period Total income attributed to the insurance Operations</b>	21	<b>2,682</b>	<b>6,887</b>	<b>(34,129)</b>	<b>(20,720)</b>
<b>Net income / (loss) for the period attributable to the shareholders</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Earnings /(loss) per share Basic and diluted (SAR per share)</b>	19	<b>0.04</b>	<b>0.11</b>	<b>(0.53)</b>	<b>(0.32)</b>
<b>Weighted average number of ordinary outstanding shares (in thousands)</b>		<b>64,640</b>	<b>64,640</b>	<b>64,640</b>	<b>64,640</b>



Chief Financial Officer



Chief Executive Officer



Board Member

The accompanying notes 1 to 22 form an integral part of these interim condensed financial statements.

WALAA COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022

	Notes	For the three months period ended June 30,		For the six months period ended June 30,	
		2022	2021	2022	2021
		SAR'000		SAR'000	
Total income / (loss) for the period		2,682	6,887	(34,129)	(20,720)
Other comprehensive income					
<i>Items that are or may be reclassified to interim condensed statements of income in subsequent periods</i>					
- Available for sale investments:					
- Net change in fair value	7	(16,313)	10,110	(8,905)	15,031
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD</b>		<b>(13,631)</b>	<b>16,997</b>	<b>(43,034)</b>	<b>(5,689)</b>
Total comprehensive income attributed to the insurance operations		-	-	-	-
<b>Total comprehensive income / (loss) for the period attributable to the shareholders</b>		<b>(13,631)</b>	<b>16,997</b>	<b>(43,034)</b>	<b>(5,689)</b>



Chief Financial Officer



Chief Executive Officer



Board Member

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

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2022**

	Notes	Share capital	Share premium	Statutory reserve	Fair value reserve for investments SAR '000	Accumulated losses	Total
<b>2022</b>							
Balance at January 1, 2022 (Audited)		646,397	103,277	63,327	38,522	(40,750)	810,773
<b>Comprehensive income for the period:</b>							
Net loss for the period attributable to the shareholders		-	-	-	-	(34,129)	(34,129)
Changes in fair value of available-for-sale investments, net		-	-	-	(8,905)	-	(8,905)
Total comprehensive income/ (loss) for the period attributable to Shareholders		-	-	-	(8,905)	(34,129)	(43,034)
<b>Balance at June 30, 2022 (Unaudited)</b>		<b>646,397</b>	<b>103,277</b>	<b>63,327</b>	<b>29,617</b>	<b>(74,879)</b>	<b>767,739</b>
<b>2021</b>							
Balance at January 1, 2021 (Audited)		646,397	103,277	63,327	21,989	81,304	916,294
<b>Comprehensive income for the period:</b>							
Net loss for the period attributable to the shareholders		-	-	-	-	(20,720)	(20,720)
Changes in fair value of available-for-sale investments, net		-	-	-	15,031	-	15,031
Total comprehensive income/ (loss) for the period attributable to shareholders		-	-	-	15,031	(20,720)	(5,689)
<b>Balance at June 30, 2021 (Unaudited)</b>		<b>646,397</b>	<b>103,277</b>	<b>63,327</b>	<b>37,020</b>	<b>60,584</b>	<b>910,605</b>



Chief Executive Officer



Chief Financial Officer

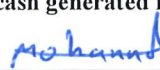

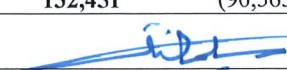


Board Member

The accompanying notes 1 to 22 form an integral part of these interim condensed financial statements.

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

**INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2022**

	2022	2021
	SAR'000	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss for the period before zakat and income tax	(27,629)	(13,320)
<b>Adjustments for non-cash:</b>		
Depreciation of property and equipment	2,921	4,991
Amortization of intangible assets	1,147	389
Allowance for doubtful debts	842	5,998
Dividend income on investments	(7,703)	(6,211)
Commission income on deposits	(8,464)	(14,163)
Gain on investments	(29,579)	(17,924)
Unrealised gain on investments	(4,595)	(8,652)
Provision for end-of-service indemnities	1,745	1,935
Lease finance cost and adjustments	610	(10)
<b>Changes in operating assets and liabilities:</b>		
Premiums and reinsurers' receivable	(144,448)	(82,995)
Reinsurers' share of unearned premiums	(79,602)	(218,209)
Reinsurers' share of outstanding claims	13,186	(122,455)
Reinsurers' share of claims incurred but not reported	6,036	(47,828)
Reinsurers' share of mathematical reserves	24,151	7,660
Deferred policy acquisition costs	(8,020)	(3,582)
Prepaid expenses and other assets	(34,052)	(957)
Policyholders claim payables	6,854	(1,348)
Accrued and other liabilities	61,527	4,477
Reinsurers' balances payable	138,518	(20,862)
Unearned premiums	185,951	266,030
Unearned reinsurance commission	8,767	16,883
Outstanding claims	41,879	154,278
Claims incurred but not reported	(4,194)	48,414
Gross mathematical reserves	(24,151)	(7,660)
Additional premium reserves	(785)	(13,935)
Other technical reserves	(376)	572
	120,536	(68,484)
End-of-service indemnities paid	(1,208)	(1,920)
Zakat and income tax paid	(3,281)	(6,913)
<b>Net cash generated from/(used in) operating activities</b>	<b>116,047</b>	<b>(77,317)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions in investments	65,274	(107,436)
Short term deposits	1,659	17,274
Commission income received	9,238	11,649
Dividend income received	7,703	6,211
Purchase of land	-	(16,400)
Long term deposits matured	50,000	-
Additions in property and equipment	(1,423)	(1,782)
Additions in intangible assets	-	(81)
<b>Net cash generated from/(used in) investing activities</b>	<b>132,451</b>	<b>(90,565)</b>
		
Chief Financial Officer	Chief Executive Officer	Board Member

The accompanying notes 1 to 22 form an integral part of these interim condensed financial statements.

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

**INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED) (CONTINUED)**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2022**

	<u>2022</u>	<u>2021</u>
	<u>SAR'000</u>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Lease rentals	<u>(2,754)</u>	<u>(2,982)</u>
<b>Net cash used in financing activities</b>	<u>(2,754)</u>	<u>(2,982)</u>
Net change in cash and cash equivalents	<u>245,744</u>	<u>(170,864)</u>
Cash and cash equivalents, beginning of the year	<u>325,055</u>	<u>687,297</u>
<b>Cash and cash equivalents, end of the period</b>	<u>570,799</u>	<u>516,433</u>
<b><u>NON-CASH INFORMATION</u></b>		
Changes in fair value of available for sale investments	<u>(8,905)</u>	<u>15,031</u>



Chief Financial Officer



Chief Executive Officer



Board Member

The accompanying notes 1 to 22 form an integral part of these interim condensed financial statements.

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

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**1. GENERAL**

Walaa Cooperative Insurance Company (a Joint Stock Company incorporated in Kingdom of Saudi Arabia), “the Company”, was formed pursuant to Royal Decree No. (S/114) dated 02/05/1428H. The Company operates under UNN 7001526578 (formerly Commercial Registration no. 2051034982) dated Jumada II 19, 1428H corresponding to July 4, 2007. The registered address of the Company's head office is as follows:

Walaa Cooperative Insurance Company  
Head Office  
4513, Adh Dhahran Al Khubar Al Janubiyah  
Unit No: 8, Al-Khobar 34621-8615  
P.O. Box 31616  
Al-Khobar 31952, Kingdom of Saudi Arabia

The purpose of the Company is to transact cooperative insurance operations and all related activities including reinsurance and agency activities. Its principal lines of business include motor, medical, marine, fire, engineering, energy, aviation, casualty insurance and protection & savings.

On 2 Jumada II 1424H, corresponding to 31 July 2003, the Law on the Supervision of Cooperative Insurance Companies (“Insurance Law”) was promulgated by Royal Decree Number (M/32). On 28 Jumada II 1429H corresponding to July 2, 2008, the Saudi Central Bank (“SAMA”), as the principal authority responsible for the application and administration of the Insurance Law and its Implementing Regulations, granted the Company a license number (TMN/16/20087) to transact insurance activities in the Kingdom of Saudi Arabia.

The Board of Directors approved the distribution of the surplus from insurance operations in accordance with the Implementing Regulations issued by SAMA, whereby the shareholders of the Company are to receive 90% of the annual surplus from insurance operations and the policyholders are to receive the remaining 10%. Any deficit arising on insurance operations is transferred to the shareholders’ operations in full.

**Proposed merger**

The Company signed a non-binding Memorandum of Understanding (the “MOU”) with SABB Takaful Company (“SABB Takaful”) on 05/12/1442H (corresponding to 15/07/2021G) to evaluate a potential merger between the two companies. Later, the Company announced on Tadawul’s website on 07/06/1443H (corresponding to 10/01/2022G) the extension of the MOU for another 45 days expiring on 24/02/2022G. The Company announced further on 26/07/1443H (corresponding to 27/02/2022G) that it has signed a binding merger agreement with SABB Takaful on 23/07/1443H (corresponding to 24/02/2022G) (the “Merger Agreement”) reflecting the agreement of both companies to merge through a share swap transaction, whereby Walaa shall issue /0.6005476176470590/ nominal shares in Walaa against each issued share in SABB Takaful (“Exchange Ratio”), to the benefit of eligible shareholders in SABB Takaful (i.e., shareholders owning the shares issued in SABB Takaful Company on the effective date of the Merger Transaction) and as consideration for the transfer of assets and liabilities of SABB Takaful, and without any additional cash consideration being paid (“Merger Transaction” or “Merger”). This is in accordance with the Companies Law issued by the Ministry of Commerce, the regulations of the Capital Market Authority (“CMA”), including the Mergers and Acquisitions Regulations, the Rules on the Offer of Securities and Continuing Obligations, the Listing Rules issued by the Saudi Stock Exchange (Tadawul), as well as the relevant regulations of the Saudi Central Bank (“SAMA”). Subsequent to the quarter ended, the Company received SAMA’s approval regarding the Merger Transaction on 02/01/1444H (corresponding to 31/07/2022G) and other ancillary matters however, the merger is still subject to approval by other concerned regulatory authorities and by shareholders of both Companies in their Extraordinary General Assembly Meetings.

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

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**2. BASIS OF PREPARATION**

**(a) Basis of presentation**

The interim condensed financial statements of the Company as at and for the period ended June 30, 2022 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia.

The financial statements of the Company as at and for the period ended June 30, 2022 , respectively, were prepared in compliance with the IAS 34 and the International Financial Reporting Standards (“IFRS”) respectively, as modified by SAMA for the accounting of zakat and income tax (relating to the application of IAS 12 – “Income Taxes” and IFRIC 21 – “Levies” so far as these relate to zakat and income tax) and the Regulations for Companies in the Kingdom of Saudi Arabia.

On July 23, 2019, SAMA instructed the insurance companies in the Kingdom of Saudi Arabia to account for the zakat and income taxes in the statement of income. This aligns with the IFRS and its interpretations as issued by the International Accounting Standards Board (“IASB”) and as endorsed in the Kingdom of Saudi Arabia.

The interim condensed financial statements are prepared under the going concern basis and the historical cost convention, except for the measurement at fair value of held for trading and available-for-sale investments. The Company’s interim condensed statement of financial position is not presented using a current/non-current classification. However, the Company’s interim condensed statement of financial position is presented in order of liquidity. Except for property and equipment, intangible assets, statutory deposit, accrued income on statutory deposit, held to maturity Sukuk, long-term deposits, goodwill and gross & reinsurance share of mathematical reserves, end-of-service indemnities and accrued commission income payable to SAMA, all other assets and liabilities are of short-term nature, unless, stated otherwise.

As required by the Saudi Arabian Insurance Regulations, the Company maintains separate books of accounts for Insurance Operations and Shareholders’ Operations and presents the financial information accordingly. Assets, liabilities, revenues and expenses clearly attributable to either activity are recorded in the respective accounts. The basis of allocation of expenses from joint operations is determined and approved by the management and the Board of Directors.

The interim condensed statement of financial position, statements of income and statement of comprehensive income and cash flows of the insurance operations and shareholders’ operations which are presented in note 21 of the financial statements have been provided to comply with the requirements of the guidelines issued by SAMA implementing regulations. SAMA implementing regulations require the clear segregation of the assets, liabilities, income and expenses of the insurance operations and the shareholders’ operations. Accordingly, the interim condensed statements of financial position, statements of income, comprehensive income and cash flows prepared for the insurance operations and shareholders operations as referred to above, reflect only the assets, liabilities, income, expenses and comprehensive gains or losses of the respective operations.

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

The interim condensed financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as of and for the year ended December 31, 2021.

Amounts in this interim condensed financial statements are expressed in Saudi Arabian Riyals (SAR) and are rounded off to the nearest thousands.

**WALAA COOPERATIVE INSURANCE COMPANY**  
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**2. BASIS OF PREPARATION (CONTINUED)**

**(b) Seasonality of operations**

There are no seasonal changes that may affect insurance operations of the Company.

**(c) Critical accounting judgments, estimates and assumptions**

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

In preparing these condensed financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty including the risk management policies were the same as those that applied to the annual financial statements as at and for the year ended December 31, 2021.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies, estimates and assumptions used in the preparation of these interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2021.

**4. GOODWILL AND INTANGIBLE ASSETS ACQUIRED IN BUSINESS COMBINATION**

During the year ended December 31, 2020, the shareholders in the EGM held on January 27, 2020 corresponding to 2 Jumada II 1441H approved the proposed merger of the Company and MAA to be effected by way of a merger pursuant to Articles 191, 192, and 193 of the Companies Law issued under Royal Decree No. M3 dated 28/1/1437H (corresponding to 10/11/2015G), through the issuance of 0.6577614444444444 new shares in the Company for each share in MAA subject to the terms and conditions of the Merger Agreement.

The purchase consideration was determined to be SAR 191,566 thousands which consisted of the issue of 11,839,706 new shares to the shareholders of MAA.

The Company has undertaken a comprehensive purchase price allocation and has identified the following intangible assets. Their valuation approach and methodologies are further detailed below:

	<b>Shareholders' operations</b>
	<b>2021</b>
	SAR'000
Goodwill	<b>24,415</b>
<i>Intangible Assets acquired in merger</i>	
- Customer Contract ('ALICO')	<b>5,454</b>
- Customer Relationship	<b>2,832</b>
- Product Licenses (Protection & savings)	<b>24,847</b>
<b>Total</b>	<b>57,548</b>

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**4 GOODWILL AND INTANGIBLE ASSETS ACQUIRED IN BUSINESS COMBINATION  
(CONTINUED)**

**Customer Contract ('ALICO')**

On the Acquisition Date, Walaa acquired the Saudi run-off portfolio of American Life Insurance Company "ALICO" which was transferred initially to MAA on April 1<sup>st</sup>, 2015 as per the portfolio transfer agreement entered between MetLife ALICO and MAA and was 100% reinsured back to MetLife under a quota-share reinsurance agreement. This portfolio includes long term life protection, savings insurance products and personal accident policies. As per the terms of the portfolio transfer agreement and the quota-share reinsurance agreement, the Company is entitled to a reinsurance commission at an agreed rate and reimbursement of all expenses related to administration of the portfolio. The management has employed "Multi Period Excess Earning Method" for valuing the contractual customer relationship and is considered to have a useful life of 83 years based on the run-off of the customer portfolio.

**Customer Relationship**

IAS 38 specifies that if an entity can evidence that it can control economic benefits from non-contractual relationships, those customer relationships are identified as separable and can be recognized as an intangible asset. Arab National Bank ("has a relationship and was also 30% stakeholder of MAA) has historically contributed a consistent revenue stream for MAA with various insurance agreements. Hence, the relationship has been regarded to represent a Customer Relationship intangible. The management has employed "Multi Period Excess Earning Method" for valuing the non-contractual customer relationship and is considered to have a useful life of 6 years.

**Product Licenses**

As a result of the Transaction, Walaa acquired the Protection & savings Insurance License. This license has been identified as an intangible asset. This life insurance intangible was valued using the "Multi Period Excess Earning Method" from the Protection & savings Line of Business for valuing product licenses. This is considered to be an intangible asset with an indefinite life and will therefore be subject to the annual impairment assessments.

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**5. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise the following:

	<b>Insurance operations</b>	
	<b>June 30, 2022 (Unaudited)</b>	<b>December 31, 2021 (Audited)</b>
	SAR'000	
Cash and bank balances	555,275	322,883
Deposits maturing within 3 months from the acquisition date	-	-
<b>Total</b>	<b>555,275</b>	<b>322,883</b>
	<b>Shareholders' operations</b>	
	<b>June 30, 2022 (Unaudited)</b>	<b>December 31, 2021 (Audited)</b>
	SAR'000	
Bank balances	15,524	2,172
Deposits maturing within 3 months from the acquisition date	-	-
<b>Total</b>	<b>15,524</b>	<b>2,172</b>
<b>Total cash and cash equivalents</b>	<b>570,799</b>	<b>325,055</b>

**6. PREMIUMS AND REINSURERS' RECEIVABLE - NET**

Receivables comprises of amounts due from the following:

	<b>Insurance operations</b>	
	<b>June 30, 2022 (Unaudited)</b>	<b>December 31, 2021 (Audited)</b>
	SAR'000	
Policyholders	334,437	201,080
Brokers and agents	398,984	393,052
Related parties	11,322	5,938
Receivables for reinsurance	32,394	32,702
	<b>777,137</b>	<b>632,772</b>
Less: Provision for doubtful receivables	<b>(51,402)</b>	<b>(50,643)</b>
<b>Premiums and reinsurers' receivable – net</b>	<b>725,735</b>	<b>582,129</b>



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**7. INVESTMENTS**

Investments are classified as follows:

	<b>Shareholders' operations</b>	
	<b>2022</b>	2021
	<b>(Unaudited)</b>	(Audited)
	SAR'000	
Available for sale investments	<b>326,296</b>	374,554
Held for trading	<b>79,643</b>	86,367
Held to maturity	<b>264,344</b>	249,367
	<b>670,283</b>	710,288
	<b>Policyholders' operations</b>	
	<b>2022</b>	2021
	<b>(Unaudited)</b>	(Audited)
	SAR'000	
Held to maturity	<b>62,948</b>	62,948
	<b>62,948</b>	62,948
<b>Total</b>		
	<b>2022</b>	2021
	SAR'000	
Available for sale investments	<b>326,296</b>	374,554
Held for trading	<b>79,643</b>	86,367
Held to maturity	<b>327,292</b>	312,315
	<b>733,231</b>	773,236

Movement in available for sale investments is as follows:

	<b>Shareholders' operations</b>	
	<b>June 30,</b>	December 31,
	<b>2022</b>	2021
	<b>(Unaudited)</b>	(Audited)
	SAR'000	
Opening balance	<b>374,554</b>	291,390
Purchases	<b>35,503</b>	178,048
Impairment of investment	-	(6,765)
Disposals	<b>(74,856)</b>	(119,726)
Changes in fair value of investments, net	<b>(8,905)</b>	31,607
<b>Closing balance</b>	<b>326,296</b>	374,554

Available-for-sale investments include the following:

	<b>Shareholders' operations</b>	
	<b>June 30,</b>	December 31,
	<b>2022</b>	2021
	<b>(Unaudited)</b>	(Audited)
	SAR'000	
Quoted securities	<b>178,090</b>	237,398
Unquoted securities	<b>148,206</b>	137,156
	<b>326,296</b>	374,554

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

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**7. INVESTMENT (CONTINUED)**

Movement in held to maturity investments is as follows:

	<b>Shareholders' operations</b>	
	<b>June 30,</b>	December 31,
	<b>2022</b>	2021
	<b>(Unaudited)</b>	(Audited)
	SAR'000	
Opening balance	<b>312,315</b>	224,400
Additional during the year	<b>15,000</b>	88,172
Amortization	<b>(23)</b>	(257)
<b>Closing balance</b>	<b>327,292</b>	312,315

Investments in sukuks are classified as investments held to maturity and measured at amortized cost. Investments held to maturity are those investments which have fixed or determined payments and that the Company has a positive intention and ability to hold to maturity.

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**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**8. TECHNICAL RESERVES**

**8.1 Net outstanding claims and reserves**

Net outstanding claims and reserves comprise of the following:

	<b>June 30, 2022 (Unaudited)</b>	December 31, 2021 (Audited)
	SAR'000	
Outstanding claims	<b>522,495</b>	480,616
Gross Claims incurred but not reported	<b>279,071</b>	283,457
Less: Net realizable value of salvage and subrogation	<b>(17,063)</b>	(17,255)
Claims incurred but not reported	<b>262,008</b>	266,202
<b>Additional premium reserves:</b>		
- Premium deficiency reserve	<b>8,269</b>	9,054
-Additional unexpired risk reserve	<b>-</b>	-
	<b>8,269</b>	9,054
<b>Other technical reserves:</b>		
- Claims handling expense provision	<b>7,325</b>	-
- Unallocated loss adjustment expense provision	<b>7,325</b>	7,701
- Non-proportional reinsurance accrual reserve	<b>-</b>	-
	<b>7,325</b>	7,701
<b>Net outstanding claims and reserves</b>	<b>800,097</b>	763,573
<b>Less:</b>		
-Reinsurer's share of outstanding claims	<b>(325,733)</b>	(338,919)
-Reinsurer's share of claims incurred but not reported	<b>(143,619)</b>	(149,655)
	<b>(469,352)</b>	(488,574)
<b>Net outstanding claims and reserves</b>	<b>330,745</b>	274,999

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**8. TECHNICAL RESERVES (CONTINUED)**

**8.2 Movement in unearned premiums**

Movement in unearned premiums comprise of the following:

	<b>June 30, 2022 (Unaudited)</b>		
	<b>Gross</b>	<b>Reinsurance</b>	<b>Net</b>
	SAR'000		
Balance as at the beginning of the period	<b>1,074,103</b>	<b>(538,598)</b>	<b>535,505</b>
Premiums written during the period	<b>1,401,258</b>	<b>(694,356)</b>	<b>706,902</b>
Premiums earned during the period	<b>(1,215,307)</b>	<b>614,754</b>	<b>(600,553)</b>
Balance as at the end of the period	<b>1,260,054</b>	<b>(618,200)</b>	<b>641,854</b>
	December 31, 2021(Audited)		
	<b>Gross</b>	<b>Reinsurance</b>	<b>Net</b>
	SAR'000		
Balance as at the beginning of the year	789,964	(363,490)	426,474
Premiums written during the year	2,338,834	(1,188,273)	1,150,561
Premiums earned during the year	(2,054,695)	1,013,165	(1,041,530)
Balance as at the end of the year	1,074,103	(538,598)	535,505

**9. PROPERTY AND EQUIPMENT, NET**

	<b>June 30,</b>	December 31,
	<b>2022</b>	2021
	<b>(Unaudited)</b>	(Audited)
	SAR'000	
Land	<b>16,400</b>	16,400
Property and equipment	<b>7,770</b>	8,119
Right of use assets (note 9.1)	<b>5,301</b>	6,450
	<b>29,471</b>	30,969

9.1 Depreciation charges on right of use assets amounted to SAR 0.8 million.

**10. ACCRUED AND OTHER LIABILITIES**

	<b>June 30,</b>	December 31,
	<b>2022</b>	2021
	<b>(Unaudited)</b>	(Audited)
	SAR'000	
Accrued and other liabilities	<b>246,663</b>	185,135
Lease rentals	<b>3,422</b>	5,567
	<b>250,085</b>	190,702

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**10. ACCRUED AND OTHER LIABILITIES (CONTINUED)**

Maturity analysis of lease rentals is as follows:

	<b>June 30, 2022 (Unaudited)</b>	December 31, 2021 (Audited)
	SAR'000	
Payable within one year	<b>3,422</b>	2,948
Payable more than one year but less than five years	-	2,619
	<b>3,422</b>	5,567

**11. COMMITMENTS AND CONTINGENCIES**

The Company's commitments and contingencies are as follows:

	<b>June 30, 2022 (Unaudited)</b>	December 31, 2021 (Audited)
	SAR'000	
Letters of guarantee	<b>9,375</b>	<b>8,125</b>

The Company is subject to legal proceedings in the ordinary course of business. There was no change in the status of legal proceedings as disclosed at December 31, 2021.

**12. FAIR VALUES OF FINANCIAL INSTRUMENTS**

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

- in the accessible principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous accessible market for the asset or liability

The management assessed that cash and short-term deposits, premium and reinsurance receivables, receivables from related parties, trade and other payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Determination of fair value and fair value hierarchy**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted prices in active markets for the same or identical instrument that an entity can access at the measurement date;

Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data; and

Level 3: valuation techniques for which any significant input is not based on observable market data.

**a. Carrying amounts and fair value**

The following table shows the carrying amount and fair values of financial assets, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation to fair value.

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**12. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)**

**Policyholders and Shareholders'**  
**Operations**

June 30, 2022	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
		SAR '000			
<b>Financial assets measured at fair value</b>					
Available for sale investments	178,090	178,090	-	-	178,090
Held for trading Investments	79,643	79,643	-	-	79,643
	257,733	257,733	-	-	257,733

**Policyholders and Shareholders'**  
**Operations**

December 31, 2021	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
		SAR '000			
<b>Financial assets measured at fair value</b>					
Available for sale investments	237,398	237,398	-	-	237,398
Held for trading Investments	86,367	86,367	-	-	86,367
	323,765	323,765	-	-	323,765

**b. Measurement of fair values**

The Company has investments amounting to SAR 148,206 million (31 December 2021: SAR 137.156 million) in unquoted securities and investments amounting to SAR 327.306 million in held to maturity investments recorded at amortized costs (31 December 2021: SAR 312.315 million). These investments in unquoted securities and recorded at amortized costs have not been measured at fair values in the absence of active market or other means of reliably measuring their fair values for certain investments. However, the management believes that there is no major difference between the carrying values and fair values of these investments.

***Transfer between the levels***

During the year, there were no transfers into or out of each level.

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**13. OPERATING SEGMENTS**

Operating segments are identified on the basis of internal reports about components of the Company that are regularly reviewed by the Company's chief executive officer in their function as chief operating decision maker in order to allocate resources to the segments and to assess its performance.

Transactions between the operating segments are on normal commercial terms and conditions. The revenue from external parties reported to the chief executive officer is measured in a manner consistent with that in the income statement. Segment assets and liabilities comprise operating assets and liabilities.

Segment assets do not include cash and cash equivalents, short term deposits, long term deposits, premiums and insurance balances receivable - net, due from shareholders' operations, investments, accrued commission income, prepaid expenses & other assets, property and equipment and intangible assets. Accordingly, these are included in unallocated assets.

Segment liabilities do not include policyholders' claims payables, accrued and other liabilities, reinsurance balances payable, due to shareholders' operations, end-of-service indemnities and accrual loss thereon, and insurance operations' surplus. Accordingly, these are included in unallocated liabilities.

These unallocated assets and liabilities are not reported to chief operating decision maker under related segments and are monitored on a centralized basis.

Segments do not include shareholders' assets and liabilities and equity hence, these are presented under unallocated assets / liabilities accordingly.

The segment information provided to the Company's chief executive officer for the reportable segments for the Company's total assets and liabilities at June 30, 2022 and December 31, 2021, its total revenues, expenses, and net income for the three and six month periods then ended, are as follows:

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**13. OPERATING SEGMENTS (CONTINUED)**

**Financial Position**

The segment statements provided to the Company's Board of Directors for the reportable segments for the Company's total assets and liabilities at June 30, 2022 and December 31, 2021, its total revenues, expenses, and net income for the the three and six months period ended, are as follows:

	As at June 30, 2022 (Unaudited)							Total - Insurance operations	Shareholders' operations	Total
	Insurance operations									
	Medical	Motor	Property	Energy	Engineering	Protection & Savings	Others			
	SAR'000									
<b>Assets</b>										
Reinsurers' share of unearned premiums	1,736	110	56,156	376,517	44,837	1,997	136,847	618,200	-	618,200
Reinsurers' share of outstanding claims	446	-	221,838	-	32,297	15,870	55,282	325,733	-	325,733
Reinsurers' share of claims incurred but not reported	-	-	33,193	67,934	22,108	4,598	15,786	143,619	-	143,619
Reinsurer's share of mathematical reserves	-	-	-	-	-	99,545	-	99,545	-	99,545
Deferred policy acquisition costs	16,874	15,583	1,927	10	3,390	235	6,477	44,496	-	44,496
Unallocated assets	-	-	-	-	-	-	-	1,766,376	824,247	2,590,623
<b>Total assets</b>	<b>19,056</b>	<b>15,693</b>	<b>313,114</b>	<b>444,461</b>	<b>102,632</b>	<b>122,245</b>	<b>214,392</b>	<b>2,997,969</b>	<b>824,247</b>	<b>3,822,216</b>
<b>Liabilities and shareholders' equity</b>										
Unearned premiums	330,152	274,207	60,317	377,433	47,633	7,933	162,379	1,260,054	-	1,260,054
Unearned Insurance commission	398	13	4,331	18,888	6,834	33	9,528	40,025	-	40,025
Outstanding claims	77,874	57,253	227,087	-	33,931	55,022	71,328	522,495	-	522,495
Claims incurred but not reported	29,056	68,061	34,244	68,276	23,127	18,864	20,380	262,008	-	262,008
Gross mathematical reserves	-	-	-	-	-	99,545	-	99,545	-	99,545
Additional Premium Reserve	64	7,410	-	-	-	795	-	8,269	-	8,269
Other Technical Reserve	855	4,539	284	34	165	534	914	7,325	-	7,325
Unallocated liabilities and shareholders' equity	-	-	-	-	-	-	-	798,248	824,247	1,622,495
<b>Total liabilities and shareholders' equity</b>	<b>438,399</b>	<b>411,483</b>	<b>326,263</b>	<b>464,631</b>	<b>111,690</b>	<b>182,726</b>	<b>264,529</b>	<b>2,997,969</b>	<b>824,247</b>	<b>3,822,216</b>



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**13. OPERATING SEGMENTS (CONTINUED)**

**Financial Position (continued)**

	As at December 31, 2021									
	Insurance operations							Total -	Shareholders'	Total
	Medical	Motor	Property	Energy	Engineering	Protection and Savings	Others	Insurance operations	operations	
	SAR '000									
Assets										
Reinsurers' share of unearned premiums	3,564	47	178,620	144,495	57,986	587	153,299	538,598	-	538,598
Reinsurers' share of outstanding claims	446	-	232,018	-	33,813	15,284	57,358	338,919	-	338,919
Reinsurers' share claims incurred but not Reported	-	-	33,416	63,217	34,280	6,735	12,007	149,655	-	149,655
Reinsurers' share of mathematical reserves	-	-	-	-	-	123,696	-	123,696	-	123,696
Deferred policy acquisition costs	10,548	13,005	3,241	37	3,414	123	6,108	36,476	-	36,476
Unallocated assets	-	-	-	-	-	-	-	1,404,958	854,879	2,259,837
<b>Total assets</b>	<b>14,558</b>	<b>13,052</b>	<b>447,295</b>	<b>207,749</b>	<b>129,493</b>	<b>146,425</b>	<b>228,772</b>	<b>2,592,302</b>	<b>854,879</b>	<b>3,447,181</b>
Liabilities and shareholders' equity										
Unearned premiums	196,922	304,320	184,173	145,081	61,650	3,491	178,466	1,074,103	-	1,074,103
Unearned reinsurance commission	801	5	9,059	6,456	6,635	25	8,277	31,258	-	31,258
Outstanding claims	45,290	46,500	233,827	-	35,033	47,588	72,378	480,616	-	480,616
Claims incurred but not reported	29,675	68,348	34,273	63,339	35,431	18,872	16,264	266,202	-	266,202
Gross mathematical reserves	-	-	-	-	-	123,696	-	123,696	-	123,696
Additional premium reserves	86	8,841	-	-	-	127	-	9,054	-	9,054
Other technical reserves	614	5,468	146	12	165	445	851	7,701	-	7,701
Unallocated liabilities and shareholders' equity	-	-	-	-	-	-	-	599,672	854,879	1,454,551
<b>Total liabilities and shareholders' equity</b>	<b>273,388</b>	<b>433,482</b>	<b>461,478</b>	<b>214,888</b>	<b>138,914</b>	<b>194,244</b>	<b>276,236</b>	<b>2,592,302</b>	<b>854,879</b>	<b>3,447,181</b>

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**13. OPERATING SEGMENTS (CONTINUED)**

	For the three months period ended June 30, 2022 (Unaudited)							Total
	Medical	Motor	Property	Energy	Engineering	Protection & Savings	Others	
	SAR'000							
<b>REVENUES</b>								
Gross premiums written								
- Direct	191,812	138,845	44,997	479,494	21,372	15,510	68,999	961,029
- Reinsurance	-	-	690	-	-	45,254	(1)	45,943
	191,812	138,845	45,687	479,494	21,372	60,764	68,998	1,006,972
Reinsurance premiums ceded								
- Local ceded	-	-	(811)	-	(548)	-	-	(1,359)
- Foreign ceded	(32)	28	(41,471)	(478,450)	(19,257)	(8,587)	(57,386)	(605,155)
	(32)	28	(42,282)	(478,450)	(19,805)	(8,587)	(57,386)	(606,514)
Excess of loss expenses	-	(595)	(327)	-	(327)	-	(200)	(1,449)
Net premiums written	191,780	138,278	3,078	1,044	1,240	52,177	11,412	399,009
Changes in unearned premiums, net	(65,499)	(559)	(11)	(637)	664	(2,054)	(2,176)	(70,272)
Net premiums earned	126,281	137,719	3,067	407	1,904	50,123	9,236	328,737
Reinsurance commissions	214	4	6,623	6,788	3,973	308	3,629	21,539
Other underwriting income	1,149	11	3	-	2	-	2,102	3,267
<b>TOTAL REVENUES</b>	<b>127,644</b>	<b>137,734</b>	<b>9,693</b>	<b>7,195</b>	<b>5,879</b>	<b>50,431</b>	<b>14,967</b>	<b>353,543</b>
<b>UNDERWRITING COSTS AND EXPENSES</b>								
Gross claims paid	79,734	130,219	2,064	-	3,303	32,225	4,471	252,016
Surrenders and maturities	-	-	-	-	-	6,564	-	6,564
Expenses incurred related to claims	6,375	3,179	-	-	-	-	-	9,554
Reinsurers' share of claims Paid	(2,745)	(1,140)	(1,737)	-	(2,344)	(11,314)	(3,133)	(22,413)
Net claims and other benefits paid	83,364	132,258	327	-	959	27,475	1,338	245,721
Changes in outstanding claims, Net	27,295	(649)	3,651	-	931	(7,744)	3,078	26,562
Changes in IBNR, net	(1,978)	(3,640)	(151)	19	(431)	7,514	171	1,504
Net claims and other benefits Incurred	108,681	127,969	3,827	19	1,459	27,245	4,587	273,787
Additional premium reserves	(1,533)	(3,447)	-	-	-	299	-	(4,681)
Other technical reserves	157	(201)	95	2	(15)	99	86	223
Commissions incurred	7,100	7,219	1,469	15	1,585	115	2,728	20,231
Other underwriting expenses	11,642	15,234	(83)	6,314	267	-	383	33,757
<b>TOTAL UNDERWRITING COSTS AND EXPENSES</b>	<b>126,047</b>	<b>146,774</b>	<b>5,308</b>	<b>6,350</b>	<b>3,296</b>	<b>27,758</b>	<b>7,784</b>	<b>323,317</b>
<b>NET UNDERWRITING INCOME/ (LOSS)</b>	<b>1,597</b>	<b>(9,040)</b>	<b>4,385</b>	<b>845</b>	<b>2,583</b>	<b>22,673</b>	<b>7,183</b>	<b>30,226</b>
<b>OTHER OPERATING (EXPENSES)/ INCOME</b>								
Reversal of doubtful debts								13,523
General and administrative expenses								(36,928)
Commission income on deposits								4,435
Dividend income on investments								3,751
Realized loss on investments, net								(874)
Unrealized loss on investments								(9,451)
<b>TOTAL OTHER OPERATING EXPENSES</b>								<b>(25,544)</b>
Total income for the period before zakat and income tax & surplus attribution								4,682
Zakat for the period								(2,000)
<b>NET INCOME FOR THE PERIOD</b>								<b>2,682</b>
Total income for the period attributable to insurance operations								-
<b>NET INCOME FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS</b>								<b>2,682</b>

**WALAA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**13. OPERATING SEGMENTS (CONTINUED)**

	For the three Months period ended June 30, 2021 (Unaudited)							Total
	Medical	Motor	Property	Energy	Engineering	Protection & Savings	Others	
	SAR'000							
<b>REVENUES</b>								
Gross premiums written								
- Direct	94,186	134,232	31,512	452,896	14,082	12,366	60,718	799,992
- Reinsurance	-	-	2,229	-	258	40,081	-	42,568
	94,186	134,232	33,741	452,896	14,340	52,447	60,718	842,560
Reinsurance premiums ceded								
- Local ceded	-	-	(2,957)	(5)	(726)	-	-	(3,688)
- Foreign ceded	(3,077)	(189)	(27,018)	(452,168)	(12,942)	(6,636)	(52,597)	(554,627)
	(3,077)	(189)	(29,975)	(452,173)	(13,668)	(6,636)	(52,597)	(558,315)
Excess of loss expenses	-	(626)	(276)	-	(276)	-	(231)	(1,409)
Net premiums written	91,109	133,417	3,490	723	396	45,811	7,890	282,836
Changes in unearned premiums, net	(44,492)	21,774	(1,839)	(547)	589	(2,511)	1,107	(25,919)
Net premiums earned	46,617	155,191	1,651	176	985	43,300	8,997	256,917
Reinsurance commissions	282	12	4,012	5,583	3,066	379	4,629	17,963
Other underwriting income	-	10	3	-	2	-	24	39
<b>TOTAL REVENUES</b>	<b>46,899</b>	<b>155,213</b>	<b>5,666</b>	<b>5,759</b>	<b>4,053</b>	<b>43,679</b>	<b>13,650</b>	<b>274,919</b>
<b>UNDERWRITING COSTS AND EXPENSES</b>								
Gross claims paid	33,104	142,710	44,813	-	31,410	17,775	3,858	273,670
Surrenders and maturities	-	-	-	-	-	6,183	-	6,183
Expenses incurred related to claims	722	3,169	-	-	-	-	-	3,891
Reinsurers' share of claims paid	(112)	(12)	(43,451)	-	(31,216)	(11,550)	(1,899)	(88,240)
Net claims and other benefits paid	33,714	145,867	1,362	-	194	12,408	1,959	195,504
Changes in outstanding claims, net	1,250	(1,002)	194	-	39	17,013	(1,422)	16,072
Changes in IBNR, net	6,654	571	11	88	-	2,608	(269)	9,663
Net claims and other benefits incurred	41,618	145,436	1,567	88	233	32,029	268	221,239
Additional premium reserves	(1,860)	(541)	-	-	-	-	-	(2,401)
Other technical reserves	75	(52)	18	22	-	328	(221)	170
Policy acquisition costs	2,971	5,462	1,289	-	1,535	67	2,168	13,492
Other underwriting expenses	3,216	12,512	678	-	122	-	228	16,756
<b>TOTAL UNDERWRITING COSTS AND EXPENSES</b>	<b>46,020</b>	<b>162,817</b>	<b>3,552</b>	<b>110</b>	<b>1,890</b>	<b>32,424</b>	<b>2,443</b>	<b>249,256</b>
<b>NET UNDERWRITING INCOME/ (LOSS)</b>	<b>879</b>	<b>(7,604)</b>	<b>2,114</b>	<b>5,649</b>	<b>2,163</b>	<b>11,255</b>	<b>11,207</b>	<b>25,663</b>
<b>OTHER OPERATING (EXPENSES)/ INCOME</b>								
Allowance for doubtful debts								(4,243)
General and administrative expenses								(35,930)
Commission income on deposits								9,953
Dividend income on investments								4,954
Realized gain on investments								4,711
Unrealized gain on investments								5,429
<b>TOTAL OTHER OPERATING EXPENSES</b>								<b>(15,126)</b>
Total income for the period before zakat and income tax & surplus attribution								10,537
Zakat for the period								(3,650)
<b>NET INCOME FOR THE PERIOD</b>								<b>6,887</b>
Total income for the period attributable to insurance operations								-
<b>NET INCOME FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS</b>								<b>6,887</b>

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**13. OPERATING SEGMENTS (CONTINUED)**

	For the six months period ended June 30, 2022 (Unaudited)							Total
	Medical	Motor	Property	Energy	Engineering	Protection & Savings	Others	
	SAR'000							
<b>REVENUES</b>								
Gross premiums written								
- Direct	365,881	252,801	57,174	503,589	34,179	31,761	108,533	1,353,918
- Reinsurance	-	-	1,981	-	59	45,300	-	47,340
	365,881	252,801	59,155	503,589	34,238	77,061	108,533	1,401,258
Reinsurance premiums ceded								
- Local ceded	-	-	(1,403)	-	(1,487)	-	-	(2,890)
- Foreign ceded	17	(146)	(52,484)	(502,528)	(29,628)	(17,685)	(86,024)	(688,478)
	17	(146)	(53,887)	(502,528)	(31,115)	(17,685)	(86,024)	(691,368)
Excess of loss expenses	-	(1,279)	(654)	-	(654)	-	(401)	(2,988)
Net premiums written	365,898	251,376	4,614	1,061	2,469	59,376	22,108	706,902
Changes in unearned premiums, net	(135,058)	30,176	1,391	(331)	868	(3,032)	(363)	(106,349)
Net premiums earned	230,840	281,552	6,005	730	3,337	56,344	21,745	600,553
Reinsurance commissions	402	9	11,182	13,109	6,479	651	7,465	39,297
Other underwriting income	1,149	23	6	-	5	-	2,121	3,304
<b>TOTAL REVENUES</b>	<b>232,391</b>	<b>281,584</b>	<b>17,193</b>	<b>13,839</b>	<b>9,821</b>	<b>56,995</b>	<b>31,331</b>	<b>643,154</b>
<b>UNDERWRITING COSTS AND EXPENSES</b>								
Gross claims paid	166,955	268,552	18,807	-	3,878	44,121	9,483	511,796
Surrenders and maturities	-	-	-	-	-	19,735	-	19,735
Expenses incurred related to claims	12,292	6,669	-	-	-	-	-	18,961
Reinsurers' share of claims Paid	(3,313)	(1,253)	(18,012)	-	(2,658)	(28,382)	(5,717)	(59,335)
Net claims and other benefits paid	175,934	273,968	795	-	1,220	35,474	3,766	491,157
Changes in outstanding claims, net	32,584	10,753	3,440	-	414	6,848	1,026	55,065
Changes in IBNR, net	(619)	(287)	194	220	(132)	2,129	337	1,842
Net claims and other benefits Incurred	207,899	284,434	4,429	220	1,502	44,451	5,129	548,064
Additional premium reserves	(22)	(1,431)	-	-	-	668	-	(785)
Other technical reserves	241	(929)	138	22	-	89	63	(376)
Commissions incurred	13,061	14,218	3,239	34	2,863	222	5,381	39,018
Other underwriting expenses	18,404	28,866	(19)	12,079	334	11	1,084	60,759
<b>TOTAL UNDERWRITING COSTS AND EXPENSES</b>	<b>239,583</b>	<b>325,158</b>	<b>7,787</b>	<b>12,355</b>	<b>4,699</b>	<b>45,441</b>	<b>11,657</b>	<b>646,680</b>
<b>NET UNDERWRITING INCOME/ (LOSS)</b>	<b>(7,192)</b>	<b>(43,574)</b>	<b>9,406</b>	<b>1,484</b>	<b>5,122</b>	<b>11,554</b>	<b>19,674</b>	<b>(3,526)</b>
<b>OTHER OPERATING (EXPENSES)/ INCOME</b>								
Allowance for doubtful debts								(842)
General and administrative expenses								(73,602)
Commission income on deposits								8,464
Dividend income on investments								7,703
Realized gain on investments								29,579
Unrealized gain on investments								4,595
<b>TOTAL OTHER OPERATING EXPENSES</b>								<b>(24,103)</b>
Total loss for the period before zakat and income tax & surplus attribution								(27,629)
Zakat for the period								(6,500)
<b>NET LOSS FOR THE PERIOD</b>								<b>(34,129)</b>
Total income for the period attributable to insurance operations								-
<b>NET LOSS FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS</b>								<b>(34,129)</b>

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**13. OPERATING SEGMENTS (CONTINUED)**

	For the six Months period ended June 30, 2021 (Unaudited)							Total
	Medical	Motor	Property	Energy	Engineering	Protection & Savings	Others	
	SAR'000							
<b>REVENUES</b>								
Gross premiums written								
- Direct	150,779	298,337	42,032	452,896	43,413	28,188	124,780	1,140,425
- Reinsurance	-	-	2,229	-	335	42,929	-	45,493
	150,779	298,337	44,261	452,896	43,748	71,117	124,780	1,185,918
Reinsurance premiums ceded								
- Local ceded	-	-	(3,975)	(5)	(4,869)	-	-	(8,849)
- Foreign ceded	(3,910)	(189)	(35,570)	(452,168)	(36,326)	(16,082)	(105,290)	(649,535)
	(3,910)	(189)	(39,545)	(452,173)	(41,195)	(16,082)	(105,290)	(658,384)
Excess of loss expenses	-	(1,253)	(583)	-	(583)	-	(462)	(2,881)
Net premiums written	146,869	296,895	4,133	723	1,970	55,035	19,028	524,653
Changes in unearned premiums, net	(65,786)	27,468	(1,721)	(547)	(153)	(5,274)	(1,808)	(47,821)
Net premiums earned	81,083	324,363	2,412	176	1,817	49,761	17,220	476,832
Reinsurance commissions	359	27	7,251	5,583	5,922	531	8,503	28,176
Other underwriting income	114	155	6	-	4	-	482	761
<b>TOTAL REVENUES</b>	<b>81,556</b>	<b>324,545</b>	<b>9,669</b>	<b>5,759</b>	<b>7,743</b>	<b>50,292</b>	<b>26,205</b>	<b>505,769</b>
<b>UNDERWRITING COSTS AND EXPENSES</b>								
Gross claims paid	64,062	310,837	47,661	-	31,769	25,036	6,212	485,577
Surrenders and maturities	-	-	-	-	-	10,363	-	10,363
Expenses incurred related to claims	2,272	8,573	-	-	-	-	-	10,845
Reinsurers' share of claims paid	(1,281)	(26)	(45,929)	-	(31,526)	(21,156)	(3,548)	(103,466)
Net claims and other benefits paid	65,053	319,384	1,732	-	243	14,243	2,664	403,319
Changes in outstanding claims, net	10,291	(1,450)	82	-	150	20,155	2,595	31,823
Changes in IBNR, net	2,523	(4,393)	75	88	(217)	3,618	(1,108)	586
Net claims and other benefits incurred	77,867	313,541	1,889	88	176	38,016	4,151	435,728
Additional premium reserves	(1,819)	(12,116)	-	-	-	-	-	(13,935)
Other technical reserves	98	(172)	24	22	(32)	846	(214)	572
Policy acquisition costs	5,167	12,897	2,491	-	2,851	87	4,323	27,816
Other underwriting expenses	6,143	28,120	872	-	520	485	1,921	38,061
<b>TOTAL UNDERWRITING COSTS AND EXPENSES</b>	<b>87,456</b>	<b>342,270</b>	<b>5,276</b>	<b>110</b>	<b>3,515</b>	<b>39,434</b>	<b>10,181</b>	<b>488,242</b>
<b>NET UNDERWRITING INCOME/ (LOSS)</b>	<b>(5,900)</b>	<b>(17,725)</b>	<b>4,393</b>	<b>5,649</b>	<b>4,228</b>	<b>10,858</b>	<b>16,024</b>	<b>17,527</b>
<b>OTHER OPERATING (EXPENSES)/ INCOME</b>								
Allowance for doubtful debts								(5,998)
General and administrative expenses								(71,799)
Commission income on deposits								14,163
Dividend income on investments								6,211
Realized gain on investments								17,924
Unrealized gain on investments								8,652
<b>TOTAL OTHER OPERATING EXPENSES</b>								<b>(30,847)</b>
Total loss for the period before zakat and income tax & surplus attribution								(13,320)
Zakat								(7,400)
<b>NET LOSS FOR THE PERIOD</b>								<b>(20,720)</b>
Total income for the period attributable to insurance operations								-
<b>NET LOSS FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS</b>								<b>(20,720)</b>

**WALAA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**14. RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties represent major shareholders, directors and key management personnel of the Company, and companies of which they are principal owners and any other entities controlled, jointly controlled or significantly influenced by them. Pricing policies and terms of these transactions are approved by the Company's management and Board of Directors. The following are the details of the major related party transactions during the period and the related balances:

	<b>Transactions for the six Month period ended</b>		<b>Net balance receivable / (payable) as at</b>	
	<b>June 30, 2022</b> <b>(Unaudited)</b>	June 30, 2021 <b>(Unaudited)</b>	<b>June 30, 2022</b> <b>(Unaudited)</b>	December 31, 2021 <b>(Audited)</b>
	<b>SAR'000</b>		<b>SAR'000</b>	
<b>Entities controlled, jointly controlled or significantly influenced by related parties</b>				
Insurance premium written / receivable from				
- BOD and related parties	<b>12,287</b>	31,894	<b>10,330</b>	3,567
- Key management personnel	<b>6</b>	9	-	-
Reinsurance business with Directors and related parties	-	-	<b>(13)</b>	(40)
Gross Claims paid and payable to directors and their related parties	<b>7,611</b>	24,845	<b>(3,286)</b>	(2,693)

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

	<b>June 30, 2022</b> <b>(Unaudited)</b>	June 30, 2021 <b>(Unaudited)</b>
	<b>SAR'000</b>	
Salaries and other allowances	<b>3,085</b>	2,883
End of service indemnities	<b>564</b>	751
	<b>3,649</b>	3,634
Remuneration to those charged with governance	<b>2,632</b>	1,263

**15. ZAKAT AND INCOME TAX**

The Company has filed Zakat and income tax returns with Zakat, Tax, and Customs Authority (ZATCA) up to the year ended December 31, 2021 and obtained the required certificate from Zakat, Tax, and Customs Authority that is valid up to April 30, 2023.

**Status of assessments**

In 2019, the Company has received an assessment order for the year 2016 for an additional zakat and tax liability amounting to SR 20 million. The Company successfully appealed against most of the items in this assessment and paid an amount of SR 1.9 million as a full and final settlement.

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

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**15. ZAKAT AND INCOME TAX (CONTINUED)**

During 2020, the Company received an assessment order for the year 2014 for an additional zakat and tax liability amounting to SR 5.9 million. Further, during 2020, the company has received assessment orders for the years 2015, 2017 and 2018 for an additional zakat and tax liability amounting to SR 9.3 million. The company has appealed against these assessments, which are under review and consideration by the General Secretariat of Tax Committees (“GSTC”).

The management of the Company reviewed assessment letters and responded in the specified time period and is confident that the additional liability would be adjusted significantly in favour of the Company. The management also believes that the provision as reflected in these financial statements is sufficient to meet any additional zakat and tax obligation.

**Provision for zakat and income tax**

Provision for zakat has been made at 2.5% of the higher of approximate zakat base or adjusted net income attributable to the Saudi shareholders of the Company.

Income tax is payable at 20% of the adjusted net income attributable to the foreign shareholders of the Company.

**Shareholding subject to zakat and income tax**

The following is the shareholding percentage for computation as at the end of the period/year:

	<b>June 30, 2022</b>	December 31, 2021
	%	%
	SAR'000	
Shareholding subject to zakat	<b>87.35</b>	87.35
Shareholding subject to income tax	<b>12.65</b>	12.65

**16. SHARE CAPITAL**

The authorized, issued and paid up capital of the Company was SAR 646.4 million at December 31, 2021 consisting of 64.6 million shares of SAR 10 each (December 31, 2020: SAR 646.4 million consisting of 64.6 million shares of SAR 10 each).

In the year 2015, the Company had increased its share capital from SAR 200 million to SAR 400 million, by issuing 20 million right shares to its existing shareholders, which were offered at an exercise price of SAR 12 per share. This resulted in a share premium less issuance cost amounting to SAR 30.1 million.

The Company’s Board of Directors in their meeting held on April 8, 2019 corresponding to 3 Sha’aban 1440H recommended to the Extraordinary General Assembly to increase share capital of the Company. The Extraordinary General Assembly approved to increase share capital of the Company from SAR 440 million to SAR 528 million by issuing one bonus share for every five existing shares owned by the shareholder. The increase in share capital is through capitalization of retained earnings of SAR 88 million. The increase in share capital was approved by the shareholders in their meeting held on 16 Ramadan 1440H (Corresponding to May 21, 2019).

The Board of Directors in their meeting held on 30 Muharram 1441 H (corresponding to 29 September 2019) resolved to increase the share capital from SAR 528,000,000 to SAR 646,397,060 by issuing 11,839,706 ordinary shares to merge MetLife AIG ANB Cooperative Insurance Company “MAA” into the Company and transferring all of MAA’s assets and liabilities to the Company through a securities exchange offer. The merger was successfully completed and shared issued accordingly during the year. The fair value of 11,839,706 shares of the Company was determined on the basis of closing market price of Walaa’s ordinary shares of SAR 16.18 per share on the Tadawul on the last trading date prior to the acquisition date of February 29, 2020.

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

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**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**16. SHARE CAPITAL (CONTINUED)**

Issue costs which were directly attributable to the issue of the shares were not material. As a result, there was an increase in share capital and share premium amounting to SAR 118,397 thousand and SAR 73,169 thousand, respectively

The Board of Directors in their meeting held on 27 Jumada I 1442 H (corresponding to 11 January 2021) recommended to increase share capital by offering right issue with an additional amount of SAR 775million to support growth plan of the company and maintain its solvency margin. Later, the Company announced on Tadawul on 15 July 2021 corresponding to 05/12/1442H to delay the rights issue due to signing of a memorandum of understanding (“MOU”) with SABB Takaful Company (“SABB Takaful”) to assess the feasibility of merging the two companies.

Shareholding structure of the Company is as below:

	<b>June 30, 2022</b>		
	<b>Authorized and issued</b>	<b>Paid up</b>	
	<b>No. of Shares</b>	<b>SAR “000”</b>	
American Life Insurance	3,551,911	35,519	35,519
Arab National Bank	3,545,146	35,451	35,451
International General Insurance Company	2,020,569	20,206	20,206
Others	55,522,080	555,221	555,221
<b>Total</b>	<b>64,639,706</b>	<b>646,397</b>	<b>646,397</b>

	<b>December 31, 2021</b>		
	<b>Authorized and issued</b>	<b>Paid up</b>	
	<b>No. of Shares</b>	<b>SAR “000”</b>	
American Life Insurance	3,551,911	35,519	35,519
Arab National Bank	3,545,146	35,451	35,451
International General Insurance Company	2,020,569	20,206	20,206
Others	55,522,080	555,221	555,221
<b>Total</b>	<b>64,639,706</b>	<b>646,397</b>	<b>646,397</b>

**17. DIVIDEND**

No dividend was proposed or paid during the period.

**18. CAPITAL MANAGEMENT**

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

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

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



**WALAA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**19. EARNINGS PER SHARE (“EPS”)**

Basic and diluted earnings per share from shareholders' income/ (loss) is calculated by dividing net income/ (loss) for the period by weighted average number of ordinary shares outstanding during the period.

**20. GROSS PREMIUMS WRITTEN**

(Unaudited)	For the six month periods ended June 30, 2022					
	Corporate					Total Gross premiums written
Class	Micro	Small	Medium	Large	Individual	
SR'000						
Medical	29,105	23,433	25,359	252,664	35,320	365,881
Motor	986	4,344	9,138	29,546	208,787	252,801
Property	5,191	3,010	6,453	44,501	-	59,155
Engineering	3,059	2,341	6,098	22,740	-	34,238
Energy	-	-	8	503,581	-	503,589
Protection & Savings	20,108	477	489	55,031	956	77,061
Others	3,760	11,715	12,788	67,496	12,774	108,533
<b>Total</b>	<b>62,209</b>	<b>45,320</b>	<b>60,333</b>	<b>975,559</b>	<b>257,837</b>	<b>1,401,258</b>

(Unaudited)	For the six months period ended June 30, 2021					
	Corporate					Total Gross premiums written
Class	Micro	Small	Medium	Large	Individual	
SR'000						
Medical	4,667	8,444	13,463	114,517	9,688	150,779
Motor	13,075	3,795	8,158	46,701	226,608	298,337
Property	4,382	2,053	8,431	29,395	-	44,261
Engineering	1,780	2,033	13,148	26,787	-	43,748
Energy	-	-	-	452,896	-	452,896
Protection & Savings	3,069	220	300	66,048	1,480	71,117
Others	9,163	10,675	13,468	89,409	2,065	124,780
<b>Total</b>	<b>36,136</b>	<b>27,220</b>	<b>56,968</b>	<b>825,753</b>	<b>239,841</b>	<b>1,185,918</b>

**WALAA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**21. SUPPLEMENTARY STATEMENTS**

**Interim condensed financial position**

	<b>June 30, 2022 - (Unaudited)</b>			<b>December 31, 2021 - (Audited)</b>		
	<b>Insurance operations</b>	<b>Share-holders' operations</b>	<b>Total</b>	<b>Insurance operations</b>	<b>Share-holders' operations</b>	<b>Total</b>
	<b>SAR'000</b>			<b>SAR'000</b>		
<b>ASSETS</b>						
Cash and cash equivalents	555,275	15,524	570,799	322,883	2,172	325,055
Short term deposits	200,000	-	200,000	201,659	-	201,659
Long term deposits	50,000	-	50,000	100,000	-	100,000
Premiums and reinsurers' receivable – net	725,735	-	725,735	582,129	-	582,129
Reinsurers' share of unearned Premiums	618,200	-	618,200	538,598	-	538,598
Reinsurers' share of outstanding claims	325,733	-	325,733	338,919	-	338,919
Reinsurers' share of claims incurred but not reported	143,619	-	143,619	149,655	-	149,655
Reinsurers' share of mathematical reserves	99,545	-	99,545	123,696	-	123,696
Deferred policy acquisition Costs	44,496	-	44,496	36,476	-	36,476
Investments	62,948	670,283	733,231	62,948	710,288	773,236
Due from shareholders' operations	6,579	-	6,579	-	4,437	4,437
Prepaid expenses and other Assets	130,120	1,333	131,453	97,188	213	97,401
Property and equipment	29,471	-	29,471	30,969	-	30,969
Intangible assets	4,240	32,326	36,566	5,182	32,531	37,713
Goodwill	-	24,415	24,415	-	24,415	24,415
Statutory deposit	-	64,640	64,640	-	64,640	64,640
Accrued income on statutory deposit	-	11,089	11,089	-	10,764	10,764
Accrued commission income	2,008	4,637	6,645	2,000	5,419	7,419
<b>TOTAL ASSETS</b>	<b>2,997,969</b>	<b>824,247</b>	<b>3,822,216</b>	<b>2,592,302</b>	<b>854,879</b>	<b>3,447,181</b>

**WALAA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**21. SUPPLEMENTARY STATEMENTS (CONTINUED)**

**Interim condensed financial position (Continued)**

	June 30, 2022 - (Unaudited)			December 31, 2021- (Audited)		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR'000			SAR'000		
<b>LIABILITIES</b>						
Policyholders claims payables	54,512	-	54,512	47,658	-	47,658
Accrued and other liabilities	245,672	4,413	250,085	188,568	2,134	190,702
Reinsurers' balances payable	473,544	-	473,544	335,026	-	335,026
Unearned premiums	1,260,054	-	1,260,054	1,074,103	-	1,074,103
Unearned reinsurance commission	40,025	-	40,025	31,258	-	31,258
Outstanding claims	522,495	-	522,495	480,616	-	480,616
Claims incurred but not reported	262,008	-	262,008	266,202	-	266,202
Gross mathematical reserves	99,545	-	99,545	123,696	-	123,696
Additional premium reserves	8,269	-	8,269	9,054	-	9,054
Other technical reserves	7,325	-	7,325	7,701	-	7,701
End-of-service indemnities	22,519	-	22,519	21,982	-	21,982
Zakat and income tax	-	34,427	34,427	-	31,208	31,208
Accrued commission income payable to SAMA	-	11,089	11,089	-	10,764	10,764
Due to insurance operations	-	6,579	6,579	4,437	-	4,437
Insurance operations' surplus	2,148	-	2,148	2,148	-	2,148
<b>TOTAL LIABILITIES</b>	<b>2,998,116</b>	<b>56,508</b>	<b>3,054,624</b>	<b>2,592,449</b>	<b>44,106</b>	<b>2,636,555</b>
<b>EQUITY</b>						
Share capital	-	646,397	646,397	-	646,397	646,397
Share premium	-	103,277	103,277	-	103,277	103,277
Statutory reserve	-	63,327	63,327	-	63,327	63,327
Accumulated losses	-	(74,879)	(74,879)	-	(40,750)	(40,750)
Fair value reserve on investments	-	29,617	29,617	-	38,522	38,522
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>-</b>	<b>767,739</b>	<b>767,739</b>	<b>-</b>	<b>810,773</b>	<b>810,773</b>
Re-measurement of defined benefit obligation	(147)	-	(147)	(147)	-	(147)
<b>TOTAL EQUITY</b>	<b>(147)</b>	<b>767,739</b>	<b>767,592</b>	<b>(147)</b>	<b>810,773</b>	<b>810,626</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,997,969</b>	<b>824,247</b>	<b>3,822,216</b>	<b>2,592,302</b>	<b>854,879</b>	<b>3,447,181</b>

**WALAA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**21. SUPPLEMENTARY STATEMENTS (CONTINUED)**

**Interim condensed statement of income for the three month period ended**

(Unaudited)	June 30, 2022			June 30, 2021		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR'000			SAR'000		
<b>REVENUES</b>						
Gross premiums written						
- Direct	961,029		961,029	799,992	-	799,992
- Reinsurance	45,943		45,943	42,568	-	42,568
	<b>1,006,972</b>		<b>1,006,972</b>	842,560	-	842,560
Reinsurance premiums ceded						
- Local ceded	(1,359)		(1,359)	(3,688)	-	(3,688)
- Foreign ceded	(605,155)		(605,155)	(554,627)	-	(554,627)
	<b>(606,514)</b>		<b>(606,514)</b>	(558,315)	-	(558,315)
Excess of loss expenses	(1,449)		(1,449)	(1,409)	-	(1,409)
<b>Net premiums written</b>	<b>399,009</b>		<b>399,009</b>	282,836	-	282,836
Changes in unearned premiums, net	(70,272)		(70,272)	(25,919)	-	(25,919)
<b>Net premiums earned</b>	<b>328,737</b>		<b>328,737</b>	256,917	-	256,917
Reinsurance commissions	21,539		21,539	17,963	-	17,963
Other underwriting income	3,267		3,267	39	-	39
<b>TOTAL REVENUES</b>	<b>353,543</b>		<b>353,543</b>	274,919	-	274,919
<b>UNDERWRITING COSTS AND EXPENSES</b>						
Gross claims paid	252,016		252,016	273,670	-	273,670
Surrenders and maturities	6,564		6,564	6,183	-	6,183
Expenses incurred related to claims	9,554		9,554	3,891	-	3,891
Reinsurers' share of claims paid	(22,413)		(22,413)	(88,240)	-	(88,240)
<b>Net claims and other benefits paid</b>	<b>245,721</b>		<b>245,721</b>	195,504	-	195,504
Changes in outstanding claims, net	26,562		26,562	16,072	-	16,072
Changes in IBNR, net	1,504		1,504	9,663	-	9,663
<b>Net claims and other benefits Incurred</b>	<b>273,787</b>		<b>273,787</b>	221,239	-	221,239
Additional premium reserves	(4,681)		(4,681)	(2,401)	-	(2,401)
Other technical reserves	223		223	170	-	170
Policy acquisition costs	20,231		20,231	13,492	-	13,492
Other underwriting expenses	33,757		33,757	16,756	-	16,756
<b>TOTAL UNDERWRITING COSTS AND EXPENSES</b>	<b>323,317</b>		<b>323,317</b>	249,256	-	249,256
<b>NET UNDERWRITING INCOME</b>	<b>30,226</b>		<b>30,226</b>	25,663	-	25,663

**WALAA COOPERATIVE INSURANCE COMPANY**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**21. SUPPLEMENTARY STATEMENTS (CONTINUED)**

**Interim condensed statement of income for the three month periods ended (Continued)**

(Unaudited)	June 30, 2022			June 30, 2021		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR'000			SAR'000		
<b>OTHER OPERATING (EXPENSES)/ INCOME</b>						
Reversal of / (Allowance) for doubtful debts	13,523	-	13,523	(4,243)	-	(4,243)
General and administrative expenses	(34,635)	(2,293)	(36,928)	(34,076)	(1,854)	(35,930)
Commission income	2,167	2,268	4,435	7,146	2,807	9,953
Dividend income on Investments	-	3,751	3,751	-	4,954	4,954
Realized gain/(loss) on investments	-	(874)	(874)	-	4,711	4,711
Unrealized gain/(loss) on investments	-	(9,451)	(9,451)	-	5,429	5,429
<b>TOTAL OTHER OPERATING (EXPENSES)/ INCOME</b>	<b>(18,945)</b>	<b>(6,599)</b>	<b>(25,544)</b>	<b>(31,173)</b>	<b>16,047</b>	<b>(15,126)</b>
<b>Total income / (loss) for the period before zakat and income tax</b>	<b>11,281</b>	<b>(6,599)</b>	<b>4,682</b>	<b>(5,510)</b>	<b>16,047</b>	<b>10,537</b>
Zakat		(2,000)	(2,000)	-	(3,650)	(3,650)
<b>NET INCOME / (LOSS) FOR THE PERIOD</b>	<b>11,281</b>	<b>(8,599)</b>	<b>2,682</b>	<b>(5,510)</b>	<b>12,397</b>	<b>6,887</b>
Transferred to Shareholders	(11,281)	11,281	-	5,510	(5,510)	-
<b>NET RESULT FROM INSURANCE OPERATIONS AFTER TRANSFER OF SURPLUS TO SHAREHOLDERS</b>	<b>-</b>	<b>2,682</b>	<b>2,682</b>	<b>-</b>	<b>6,887</b>	<b>6,887</b>
<b>Earnings per share (Expressed in SAR per share)</b>						
Basic and diluted EPS	<b>0.04</b>			<b>0.11</b>		

**Interim condensed statement of comprehensive income for the three month period ended**

(Unaudited)	June 30, 2022			June 30, 2021		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR'000			SAR'000		
Total income for the period	-	2,682	2,682	-	6,887	6,887
<b>Other comprehensive income</b>						
<i>Items that are or may be reclassified to statement of income in subsequent periods</i>						
Available for sale investments:						
- Net change in fair value	-	(16,313)	(16,313)	-	10,110	10,110
<b>TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD</b>	<b>-</b>	<b>(13,631)</b>	<b>(13,631)</b>	<b>-</b>	<b>16,997</b>	<b>16,997</b>

**WALAA COOPERATIVE INSURANCE COMPANY**  
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**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**21. SUPPLEMENTARY STATEMENTS (CONTINUED)**

**Interim condensed statement of income for the six months period ended (Continued)**

(Unaudited)	June 30, 2022			June 30, 2021		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR'000			SAR'000		
<b>REVENUES</b>						
Gross premiums written						
- Direct	1,353,918	-	1,353,918	1,140,425	-	1,140,425
- Reinsurance	47,340	-	47,340	45,493	-	45,493
	1,401,258	-	1,401,258	1,185,918	-	1,185,918
Reinsurance premiums ceded						
- Local ceded	(2,890)	-	(2,890)	(8,849)	-	(8,849)
- Foreign ceded	(688,478)	-	(688,478)	(649,535)	-	(649,535)
	(691,368)	-	(691,368)	(658,384)	-	(658,384)
Excess of loss expenses	(2,988)	-	(2,988)	(2,881)	-	(2,881)
<b>Net premiums written</b>	<b>706,902</b>	<b>-</b>	<b>706,902</b>	<b>524,653</b>	<b>-</b>	<b>524,653</b>
Changes in unearned premiums, net	(106,349)	-	(106,349)	(47,821)	-	(47,821)
	600,553	-	600,553	476,832	-	476,832
<b>Net premiums earned</b>	<b>39,297</b>	<b>-</b>	<b>39,297</b>	<b>28,176</b>	<b>-</b>	<b>28,176</b>
Reinsurance commissions	39,297	-	39,297	28,176	-	28,176
Other underwriting income	3,304	-	3,304	761	-	761
<b>TOTAL REVENUES</b>	<b>643,154</b>	<b>-</b>	<b>643,154</b>	<b>505,769</b>	<b>-</b>	<b>505,769</b>
<b>UNDERWRITING COSTS AND EXPENSES</b>						
Gross claims paid	511,796	-	511,796	485,577	-	485,577
Surrenders and maturities	19,735	-	19,735	10,363	-	10,363
Expenses incurred related to claims	18,961	-	18,961	10,845	-	10,845
Reinsurers' share of claims paid	(59,335)	-	(59,335)	(103,466)	-	(103,466)
	491,157	-	491,157	403,319	-	403,319
<b>Net claims and other benefits paid</b>	<b>55,065</b>	<b>-</b>	<b>55,065</b>	<b>31,823</b>	<b>-</b>	<b>31,823</b>
Changes in outstanding claims, net	55,065	-	55,065	31,823	-	31,823
Changes in IBNR, net	1,842	-	1,842	586	-	586
<b>Net claims and other benefits Incurred</b>	<b>548,064</b>	<b>-</b>	<b>548,064</b>	<b>435,728</b>	<b>-</b>	<b>435,728</b>
Additional premium reserves	(785)	-	(785)	(13,935)	-	(13,935)
Other technical reserves	(376)	-	(376)	572	-	572
Policy acquisition costs	39,018	-	39,018	27,816	-	27,816
Other underwriting expenses	60,759	-	60,759	38,061	-	38,061
<b>TOTAL UNDERWRITING COSTS AND EXPENSES</b>	<b>646,680</b>	<b>-</b>	<b>646,680</b>	<b>488,242</b>	<b>-</b>	<b>488,242</b>
<b>NET UNDERWRITING (LOSS)/ INCOME</b>	<b>(3,526)</b>	<b>-</b>	<b>(3,526)</b>	<b>17,527</b>	<b>-</b>	<b>17,527</b>

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**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**21. SUPPLEMENTARY STATEMENTS (CONTINUED)**

**Interim condensed statement of income for the six months period ended (Continued)**

(Unaudited)	June 30, 2022			June 30, 2021		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR'000			SAR'000		
<b>OTHER OPERATING (EXPENSES)/ INCOME</b>						
Allowance for doubtful debts	(842)	-	(842)	(5,998)	-	(5,998)
General and administrative expenses	(69,051)	(4,551)	(73,602)	(67,472)	(4,327)	(71,799)
Commission income	3,928	4,536	8,464	8,122	6,041	14,163
Dividend income on Investments	-	7,703	7,703	-	6,211	6,211
Realized gain on investments	-	29,579	29,579	-	17,924	17,924
Unrealized gain on investments	-	4,595	4,595	-	8,652	8,652
<b>TOTAL OTHER OPERATING (EXPENSES)/ INCOME</b>	<b>(65,965)</b>	<b>41,862</b>	<b>(24,103)</b>	<b>(65,348)</b>	<b>34,501</b>	<b>(30,847)</b>
<b>Total income / (loss) for the period before zakat and income tax</b>	<b>(69,491)</b>	<b>41,862</b>	<b>(27,629)</b>	<b>(47,821)</b>	<b>34,501</b>	<b>(13,320)</b>
Zakat	-	(6,500)	(6,500)	-	(7,400)	(7,400)
Income tax	-	-	-	-	-	-
<b>NET INCOME / (LOSS) FOR THE PERIOD</b>	<b>(69,491)</b>	<b>35,362</b>	<b>(34,129)</b>	<b>(47,821)</b>	<b>27,101</b>	<b>(20,720)</b>
Loss transferred to Shareholders	69,491	(69,491)	-	47,821	(47,821)	-
<b>NET RESULT FROM INSURANCE OPERATIONS AFTER TRANSFER OF SURPLUS TO SHAREHOLDERS</b>	<b>-</b>	<b>(34,129)</b>	<b>(34,129)</b>	<b>-</b>	<b>(20,720)</b>	<b>(20,720)</b>
<b>Loss per share (Expressed in SAR per share)</b>						
Basic and diluted		<u>(0.53)</u>			<u>(0.32)</u>	

**Interim condensed statement of comprehensive income for the six months period ended**

(Unaudited)	June 30, 2022			June 30, 2021		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR'000			SAR'000		
Total loss for the period	-	(34,129)	(34,129)	-	(20,720)	(20,720)
<b>Other comprehensive (loss) income</b>						
<i>Items that are or may be reclassified to statement of income in subsequent periods</i>						
Available for sale investments:						
- Net change in fair value	-	(8,905)	(8,905)	-	15,031	15,031
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>-</b>	<b>(43,034)</b>	<b>(43,034)</b>	<b>-</b>	<b>(5,689)</b>	<b>(5,689)</b>

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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**21. SUPPLEMENTARY STATEMENTS (CONTINUED)**

**Interim condensed statement of cash flows for six month**

(Unaudited)	Insurance operations	Share- holders' operations	Total	Insurance operations	Share- holders' operations	Total
	2022 SAR'000			2021 SAR'000		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net loss for the period before zakat	-	(27,629)	(27,629)	-	(13,320)	(13,320)
<b>Adjustments for non-cash items:</b>						
Depreciation of property and equipment	2,921	-	2,921	4,991	-	4,991
Amortization of intangible assets	942	205	1,147	389	-	389
Allowance for doubtful debts	842	-	842	5,998	-	5,998
Dividend income on investments	-	(7,703)	(7,703)	-	(6,211)	(6,211)
Commission income on deposits	(3,928)	(4,536)	(8,464)	(8,122)	(6,041)	(14,163)
Gain on investments	-	(29,579)	(29,579)	-	(17,924)	(17,924)
Unrealized gain on investments	-	(4,595)	(4,595)	-	(8,652)	(8,652)
Provision for end-of-service indemnities	1,745	-	1,745	1,935	-	1,935
Lease finance cost	610	-	610	(10)	-	(10)
Premiums and reinsurers' receivable	(144,448)	-	(144,448)	(82,995)	-	(82,995)
Reinsurers' share of unearned premiums	(79,602)	-	(79,602)	(218,209)	-	(218,209)
Reinsurers' share of outstanding claims	13,186	-	13,186	(122,455)	-	(122,455)
Reinsurers' share of claims incurred but not reported	6,036	-	6,036	(47,828)	-	(47,828)
Reinsurers' share of mathematical reserves	24,151	-	24,151	7,660	-	7,660
Deferred policy acquisition costs	(8,020)	-	(8,020)	(3,582)	-	(3,582)
Prepaid expenses and other assets	(32,932)	(1,120)	(34,052)	2,770	(3,727)	(957)
Policyholders and accounts payables	6,854	-	6,854	(1,348)	-	(1,348)
Accrued and other liabilities	59,248	2,279	61,527	2,025	2,452	4,477
Reinsurers' balances payable	138,518	-	138,518	(20,862)	-	(20,862)
Unearned premiums	185,951	-	185,951	266,030	-	266,030
Unearned reinsurance commission	8,767	-	8,767	16,883	-	16,883
Outstanding claims	41,879	-	41,879	154,278	-	154,278
Claims incurred but not reported	(4,194)	-	(4,194)	48,414	-	48,414
Gross mathematical reserves	(24,151)	-	(24,151)	(7,660)	-	(7,660)
Additional premium reserves	(785)	-	(785)	(13,935)	-	(13,935)
Other technical reserves	(376)	-	(376)	572	-	572
	193,214	(72,678)	120,536	(15,061)	(53,423)	(68,484)
End-of-service indemnities paid	(1,208)	-	(1,208)	(1,920)	-	(1,920)
Zakat and income tax paid	-	(3,281)	(3,281)	-	(6,913)	(6,913)
<b>Net cash (used in)/ generated from operating activities</b>	<b>192,006</b>	<b>(75,959)</b>	<b>116,047</b>	<b>(16,981)</b>	<b>(60,336)</b>	<b>(77,317)</b>



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

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2022**

**21. SUPPLEMENTARY STATEMENTS (CONTINUED)**

**Interim condensed statement of cash flows for six month (Continued)**

	Insurance operations	Share- holders' operations	Total	Insurance operations	Share- holders' operations	Total
	2022 SAR'000			2021 SAR'000		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Additions/disposals in investments	-	65,274	65,274	-	(107,436)	(107,436)
Commission income received	3,920	5,318	9,238	7,347	4,302	11,649
Dividend received	-	7,703	7,703	-	6,211	6,211
Additions/disposals in short term deposits	1,659	-	1,659	(50,000)	67,274	17,274
Additions/disposals in long term deposits	50,000	-	50,000	-	-	-
Purchase of land	-	-	-	(16,400)	-	(16,400)
Additions in property and equipment	(1,423)	-	(1,423)	(1,782)	-	(1,782)
Additions in intangible assets	-	-	-	(81)	-	(81)
<b>Net cash generated from / (used in) investing activities</b>	<b>54,156</b>	<b>78,295</b>	<b>132,451</b>	<b>(60,916)</b>	<b>(29,649)</b>	<b>(90,565)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Due from shareholders/insurance operations	(11,016)	11,016	-	(90,386)	90,386	-
Lease rentals	(2,754)	-	(2,754)	(2,982)	-	(2,982)
<b>Net cash (used in) / generated from financing activity</b>	<b>(13,770)</b>	<b>11,016</b>	<b>(2,754)</b>	<b>(93,368)</b>	<b>90,386</b>	<b>(2,982)</b>
Net change in cash and cash equivalents	232,392	13,352	245,744	(171,265)	401	(170,864)
Cash and cash equivalents, beginning of the period	322,883	2,172	325,055	687,297	-	687,297
<b>CASH AND CASH EQUIVALENTS, END OF THE PERIOD</b>	<b>555,275</b>	<b>15,524</b>	<b>570,799</b>	<b>516,032</b>	<b>401</b>	<b>516,433</b>
<b>NON-CASH TRANSACTION</b>						
Changes in fair value of available for sale investments	-	(8,905)	(8,905)	-	15,031	15,031

**22. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS**

The interim condensed financial statements have been approved by the Board of Directors on August 07, 2022 corresponding to 09 Muharram 1444H.