

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, 2024**

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, 2024**

INDEX	PAGE
Independent auditors' review	1
Interim condensed statement of financial position	2
Interim condensed statement of income	3
Interim condensed statement of comprehensive income	4
Interim condensed statement of changes in equity	5
Interim condensed statement of cash flows	6
Notes to the interim condensed financial statements	7-72

**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 - (the "Company")** as at 30 June 2024, and the related interim condensed statements of income, other comprehensive income for the three and six months periods then ended and changes in shareholders' equity and cash flows for the six months period then ended and a summary of material accounting policies and other explanatory notes ("interim condensed financial statements"). Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") 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 is not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

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08 August 2024
04 Safar 1446H



WALAA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

		June 30, 2024	December 31, 2023
	Notes	(Unaudited)	(Audited)
SAR "000"			
Assets			
Cash and cash equivalents	5	214,761	512,411
Short term deposits	5	293,113	420,980
Accrued income on investments and deposits		26,453	20,717
Prepaid expenses and other assets		61,560	52,764
Insurance contract assets	12	25,300	-
Reinsurance contract assets	12	679,764	789,878
Financial assets for unit linked insurance contracts		544,474	543,235
Due from shareholders' operations		8,198	29,876
Statutory deposit		85,058	85,058
Accrued income on statutory deposit		6,916	4,347
Investments	6	1,269,626	1,111,620
Long term deposits		354,901	354,898
Property and equipment, net	7	73,973	35,484
Intangible assets	4	118,925	121,566
Goodwill	4	24,415	24,415
Total assets		3,787,437	4,107,249
Liabilities and equity			
Liabilities			
Insurance contract liabilities	12	2,162,816	2,554,671
Reinsurance contract liabilities	12	3,518	-
Accrued expenses and other liabilities	8	205,287	170,295
Accrued income payable to Insurance Authority		6,916	4,347
Due to insurance operations		8,198	29,876
Provision for zakat and income tax	14	33,772	46,283
Provision for end-of-service benefits (EOSB)		34,174	33,322
Total liabilities		2,454,681	2,838,794
Equity			
Share capital	15	850,583	850,583
Share premium	15	193,119	193,119
Statutory reserve		79,915	79,915
Fair value reserve for investments measured at fair value	6	81,827	81,827
Retained earnings		130,652	66,351
Total shareholders' equity		1,336,096	1,271,795
Remeasurement of EOSB related to insurance operations		(3,340)	(3,340)
Total equity		1,332,756	1,268,455
Total liabilities and equity		3,787,437	4,107,249



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
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2024

	Notes	Three-month period ended June 30, 2024 (Unaudited)	Three-month period ended June 30, 2023 (Unaudited)	Six-month period ended June 30, 2024 (Unaudited)	Six-month period ended June 30, 2023 (Unaudited)
SAR "000"					
Insurance revenue	12	796,176	705,187	1,563,249	1,364,824
Insurance service expenses	12	(478,655)	(425,228)	(994,678)	(782,180)
Insurance service results before reinsurance contracts held		317,521	279,959	568,571	582,644
Allocation of reinsurance premiums	12	(321,172)	(315,143)	(638,210)	(610,083)
Amounts recoverable from reinsurers for incurred claims	12	9,436	39,074	61,075	35,664
Net expenses from reinsurance contracts held		(311,736)	(276,069)	(577,135)	(574,419)
Insurance service results		5,785	3,890	(8,564)	8,225
Commission income on investments and deposits		18,482	10,872	39,590	21,746
Dividends on investments		5,839	3,631	9,513	7,288
Realized gain on investments measured at fair value	6	4,284	3,326	16,698	3,327
Unrealized gain on investments measured at fair value	6	8,366	28,632	15,537	43,914
Change in expected credit losses on financial assets		14	12	9	11
Net investment income		36,985	46,473	81,347	76,286
Finance expense from insurance contracts issued	12	(8,531)	(6,656)	(16,072)	(13,660)
Finance income from reinsurance contracts held	12	5,088	2,462	10,221	9,006
Net insurance finance expenses		(3,443)	(4,194)	(5,851)	(4,654)
Net insurance and investment results		39,327	46,169	66,932	79,857
Other income	7	758	1,286	21,773	2,420
Other operating expenses		(13,148)	(6,310)	(19,154)	(14,325)
Net income for the period before zakat & tax, attributable to the shareholders		26,937	41,145	69,551	67,952
Zakat & tax charge for the period	14	(2,500)	(2,500)	(5,250)	(5,000)
Net income for the period after zakat & tax, attributable to the shareholders		24,437	38,645	64,301	62,952
Earnings per share (expressed in SAR per share)					
Basic and diluted earnings per share	20	0.29	0.45	0.76	0.74
Weighted average number of ordinary outstanding shares (in thousands)		85,058	85,058	85,058	85,058



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
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2024

	Three-month period ended June 30, 2024	Three-month period ended June 30, 2023	Six-month period ended June 30, 2024	Six-month period ended June 30, 2023
Notes	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	SAR "000"			
Net income for the period attributable to the shareholders	24,437	38,645	64,301	62,952
Other comprehensive income:				
<i>Items that will not be reclassified to the statement of income in subsequent periods</i>				
Net changes in fair value of investments measured at fair value through other comprehensive income (FVOCI)	6	-	-	-
Total comprehensive income for the period	24,437	38,645	64,301	62,952



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
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024

	Share capital	Share premium	Statutory reserve	Fair value reserve for investments	Retained earnings/ (Accumulated losses)	Remeasurement of EOSB obligations	Total
	SAR "000"						
Balance as at December 31, 2023 (Audited)	850,583	193,119	79,915	81,827	66,351	(3,340)	1,268,455
Comprehensive income for the period:							
Net income for the period attributable to the shareholders	-	-	-	-	64,301	-	64,301
Net changes in fair value of investments measured at fair value (FVOCI)	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	64,301	-	64,301
Balance as at June 30, 2024 (Unaudited)	850,583	193,119	79,915	81,827	130,652	(3,340)	1,332,756
	SAR "000"						
Balance as at December 31, 2022 (Audited)	850,583	193,119	63,327	74,308	(65,038)	137	1,116,436
Comprehensive income for the period:							
Net income for the period attributable to the shareholders	-	-	-	-	62,952	-	62,952
Net changes in fair value of investments measured at fair value (FVOCI)	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	62,952	-	62,952
Balance as at June 30, 2023 (Unaudited)	850,583	193,119	63,327	74,308	(2,086)	137	1,179,388



Chief Financial Officer



Chief Executive Officer



Board member

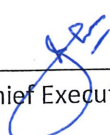
The accompanying notes 1 to 22 form an integral part of these interim condensed financial statements.

WALAA COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024

	Notes	2024 (Unaudited) SAR "000"	2023 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before zakat and income tax		69,551	67,952
Adjustments for non-cash and non-operating items:			
Depreciation of property and equipment		6,411	3,949
Amortization of intangible assets		16,469	4,300
Commission income on investments and deposits		(39,590)	(21,746)
Dividends on investments		(9,513)	(7,288)
Realized gain on investments measured at fair value	6	(16,698)	(3,327)
Unrealized gain on investments measured at fair value	6	(15,537)	(43,914)
Change in expected credit losses on financial assets		(9)	(11)
Gains on disposal of property and equipment	7	(20,308)	-
Finance cost on lease assets		434	75
Provision for end-of-service benefits (EOSB)		3,045	2,574
Changes in operating assets and liabilities:			
Insurance contract assets	12	(25,300)	8,793
Insurance contract liabilities	12	(391,855)	(97,130)
Reinsurance contract assets	12	110,114	139,750
Reinsurance contract liabilities	12	3,518	(2,728)
Prepaid expenses and other assets		(8,784)	14,109
Accrued expenses and other liabilities	8	18,888	(12,292)
		(299,164)	53,066
End-of-service benefits paid		(2,193)	(1,107)
Zakat and income tax paid		(17,761)	(7,587)
Net cash (used in) / generated from operating activities		(319,118)	44,372
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments, net	6	(125,260)	(14,721)
Financial assets for unit linked insurance contracts, net		(1,239)	(36,531)
Commission income received on investments and deposits		33,338	20,096
Dividends received on investments		9,513	7,288
Disposals / (additions) of short term deposits		127,866	(54,999)
Movement in intangible assets, net		(13,828)	1,420
Movement in property and equipment, net	7	(3,320)	(7,181)
Net cash generated from / (used in) investing activities		27,070	(84,628)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liability paid		(5,602)	(3,264)
Net cash used in financing activities		(5,602)	(3,264)
Net change in cash and cash equivalents		(297,650)	(43,520)
Cash and cash equivalents, beginning of the period	5	512,411	534,210
Cash and cash equivalents, end of the period	5	214,761	490,690



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, 2024

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
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 medical, motor, marine, fire, engineering, energy, aviation, casualty insurance and protection & savings both linked and non-linked.

On 2 Jumada II, 1424H, corresponding to July 31, 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, Insurance Authority (IA) previously known as "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 Saudi Arabia.

The Board of Directors approved the distribution of the surplus from insurance operations in accordance with the Implementing Regulations issued by Insurance Authority (IA) previously known as "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.

The share capital of the Company as of June 30, 2024, is amounted to SAR 850.6 million comprising of 85.1 million shares of SAR 10 each (December 31, 2023: SAR 850.6 million comprising of 85.1 million shares of SAR 10 each). Refer note 15.

Proposed Right Issue

The Board of Directors in their meeting held on September 17, 2023 (corresponding to 03 Rabi Al Awwal 1445H) recommended to increase share capital by offering right issue with an additional amount of SAR 425 million to support growth plan of the Company and maintain its solvency margin.

During the period, the Board of Directors after discussing the Rights Issue with the financial advisor, decided on February 25, 2024G (corresponding to 15/8/1445H) to amend its recommendation to the Extraordinary General Assembly regarding the increase of the Company's capital by offering of Rights Issue and change the offering amount to SAR (467.5) million instead of SAR (425) million, through offering a total of 42.5 million ordinary shares of a nominal value of SAR (10) per share, with an offer price of SAR (11) per share.

However, this is subject to relevant regulatory authorities' approvals in addition to Extraordinary General Assembly approval.

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, 2024

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, 2024 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, 2024 , respectively, were prepared in compliance with the IAS 34 and the International Financial Reporting Standards (“IFRS”) respectively, as modified by Insurance Authority (IA) previously known as “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, Insurance Authority (IA) previously known as “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 of investments at their fair value through profit and loss (FVTPL) and fair value through other comprehensive income (FVOCI) and liabilities for defined benefit obligations. Except for property and equipment, intangible assets, statutory deposit, accrued income on statutory deposit, certain investments measured at amortized cost, long-term deposits, goodwill, end-of-service benefits and accrued income payable to Insurance Authority (IA) previously known as “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 is recorded in the respective accounts. The basis of the allocation of expenses from joint operations is determined and approved by the management and the Board of Directors.

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 at and for the year ended December 31, 2023.

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

(b) Seasonality of operations

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

2. BASIS OF PREPARATION (CONTINUED)

(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 interim 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, 2023.

Some of the critical accounting judgements, estimates and assumptions made during the period are as follows:

(1) PAA Eligibility Testing

Eligibility assessment testing to apply PAA on insurance and reinsurance contracts where the contract period is more than one year is the area where management assumptions and assessment are involved.

The Company has calculated a 'Liability for Remaining Coverage' (LRC) and 'Asset for Remaining Coverage' (ARC) for those groups of insurance contracts written and reinsurance contracts held respectively where the coverage period was more than one year except long term life insurance contracts with participation features for which Variable Fee Approach (VFA) has been applied.

The calculation was performed under both Premium Allocation Approach (PAA) and General Measurement Model (GMM). Upon analysis of the possible differences between LRC and / or ARC applying the PAA and GMM approach, respectively, the Company did not note material differences for contracts with coverage period of more than one year except long term life without participation features. Hence, the Company has reported only long-term life contracts issued under GMM. For the reinsurance contracts held, all the contracts are measured under the PAA except for the long-term life insurance contracts with and without participating feature on which GMM has been applied.

In addition to the above, the Company is participating in industry pool for 'Inherent Defect Insurance' commonly called as "IDI". One insurance company is working as a leader on behalf of the participating companies. The portfolio is measured by the pool leader at GMM. The Company is taking its share and presenting in these financials at GMM as well.

(2) Unit of account

Judgement is involved in the identification of portfolios of contracts, as required by IFRS 17 (that is, having similar risks and being managed together). Aggregation of insurance contracts issued on initial recognition into groups of onerous contracts, groups of contracts with no significant possibility of becoming onerous, and groups of other contracts. A similar grouping assessment is required for reinsurance contracts held. Areas of potential judgements include:

- the determination of contract sets within portfolios and whether the Company has reasonable and supportable information to conclude that all contracts within a set would fall into the same group, as required by IFRS 17; and
- judgements might be applied on initial recognition to distinguish between non-onerous contracts (those having no significant possibility of becoming onerous) and other contracts.

For insurance contracts issued which are measured under the PAA, management judgement might be required to assess whether facts and circumstances indicate that a group of contracts has become onerous. Further, judgement is required to assess whether facts and circumstances indicate that any changes in the onerous group's profitability and whether any loss component remeasurement is required.

2. BASIS OF PREPARATION (CONTINUED)

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

(3) Discount rates

Under the bottom-up approach, the discount rate is determined as the risk-free yield, adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free yield and the relevant liability cash flows (known as an 'illiquidity premium'). Management uses judgement to assess liquidity characteristics of the liability cash flows.

(4) Methods used to measure the risk adjustment for non-financial risk

Judgement is involved in assessing the most appropriate method to estimate the risk adjustment for non-financial risk and also to choose the most appropriate confidence level to which the risk adjustment for non-financial risk should correspond.

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainties, estimates are made on the expected favorable and unfavorable outcomes in a way that reflects the Company's degree of risk aversion.

(5) Liability for incurred claims

The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.

The main assumption underlying these techniques is that a Company's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analyzed by accident years, but can also be further analyzed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims' development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability-weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Estimates of salvage recoveries and subrogation reimbursements are considered as an allowance in the measurement of ultimate claims costs.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency exchange rates.

(6) Going Concern

The Company's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

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, 2024****3. MATERIAL ACCOUNTING POLICIES**

The material 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, 2023, except as explained below:

(a) New IFRS Standards, IFRIC interpretations and amendments thereof, effecting during the period but not adopted by the Company:

Standard interpretation, amendments	Description
Amendment to IFRS-16- Leases on sale and lease back	These amendments include requirements for sale and leaseback transactions in IFRS-16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cashflows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.
Amendment IAS 01- Non-current liabilities with covenants	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of liability. The amendments also aim to improve the information an entity provides related to liabilities subject to these conditions.
IFRS S1, 'General requirements for disclosure of sustainability-related financial information.	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.
IFRS S2, 'Climate-related disclosures' (subject to endorsement from SOCPA)	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risk and opportunities.

(b) New IFRS Standards, IFRIC interpretations and amendments thereof, not effecting during the period and not early adopted by the Company

Standard interpretation, amendments	Description	Effective date
Amendments to IFRS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	1-Jan-25
Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale of contribution of assets that do not constitute a business as defined in IFRS-3 Business Combinations and the gain or loss resulting from the sale of contribution to an associate or joint venture of assets that constitute a business as defined in IFRS-3 is recognized in full.	Effective date deferred indefinitely
IFRS 18 - Presentation and disclosure in financial statements	The new standard sets out the requirements for presentation and disclosure of financial statements, aiming to improve the structure and content of the primary financial statements for all entities applying IFRS.	1-Jan-27

Note: There is no material impact on the Company's financial statements due to the above changes

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, 2024****4. GOODWILL AND INTANGIBLE ASSETS****(a) Goodwill**

The company has recognized goodwill amounting to SAR 24.415 million after the merger with Metlife AIG ANB Cooperative Insurance Company (MAA). 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 thousand which consisted of the issue of 11,839,706 new shares to the shareholders of MAA.

The Company undertook a comprehensive purchase price allocation after the acquisition as required and has recognized the goodwill as a result thereof. The goodwill with indefinite life will be reviewed annually and assessed the recoverable amount of the cash generating unit (or a group of cash generating units) to which the goodwill is related.

Based on the recent impairment assessment, goodwill was not impaired as at December 31, 2023.

(b) Intangible assets

Intangibles assets comprise of the followings:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	SAR "000"	
<i>Intangibles assets recognized after the merger with MAA</i>		
1) Customer Contract ('ALICO')	5,454	5,454
2) Customer Relationship	2,832	2,832
3) Product Licenses (Protection & savings)	24,847	24,847
<i>Intangibles assets recognized after the merger with SABB Takaful</i>		
4) Individual Life	52,670	52,670
5) General Takaful	4,831	4,831
Total intangible assets acquired through mergers	90,634	90,634
Other intangible assets (IT software, etc.)	82,124	74,966
Total intangible assets	172,758	165,600
Accumulated amortization on intangible assets	(53,833)	(44,034)
Net Intangible assets	118,925	121,566

(1) Customer Contract ('ALICO')

On the date of merger with Metlife (MAA) in 2020, Walaa acquired the Saudi run-off portfolio of American Life Insurance Company "ALICO" which was transferred initially to MAA on April 1, 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.

4. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

(2) Customer Relationship

Customer relationship intangible was recognized as a result of merger with MAA in 2020. 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.

(3) Product Licenses (Protection & savings)

As a result of merger with MAA in 2020, 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.

The intangible assets with indefinite life acquired through business combinations as mentioned above will be reviewed annually, and assessed the recoverable amount of the cash generating unit (or a group of cash generating units) to which the intangible assets with indefinite life are related. Based on the current impairment assessment carried out at 31 December 2023, the product license was not impaired.

(4) Individual Life

As a result of merger with SABB Takaful in 2022, the Company has acquired the Individual Life insurance segment which comprises of Unit Linked insurance policies (ULIP) (Regular Saving, Simple Saving, Education, Retirement and Single Premium) from SABB Takaful effective the Acquisition Date. SABB Bank in the past has consistently generated revenues for SABB Takaful. The relationship has been spanning for more than 10 years, hence considered as a customer relationship with an estimated useful life of 10 years.

Historically, SABB Takaful was able to achieve 76% of its budgeted revenue. Hence, considered the same for FY23 and FY24 and 5% y-o-y growth from FY25 onwards. The Individual life insurance policies have been valued using the “Multi-Period Excess Earning Method”. Contributory asset charges (CAC), which include working capital (WC) charge and Assembled Workforce have been adjusted with the underwriting income to arrive at the Excess Earnings. Since the working capital and capex are minimal, the CAC do not have material impact on the cash-flows. An EBIT margin of 5.7% has been considered based on the historical EBIT margin of individual life insurance contracts. A discount factor of 16.6% (WACC + 1%) has been used to discount the excess earnings to arrive at the value of the intangible. The value of the Individual Life Customer Relationship intangible is assumed to be SAR 48.9 million initially that was adjusted by SAR 3.8 million post implementation of IFRS 17.

4. GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

(5) General Takaful

As a result of merger with SABB Takaful in 2022, the Company has recognized an intangible asset for General Takaful. General Takaful insurance policies consists of policies relating to marine, property, accident & liability, which have a life of one year. Average tenure of the customer relationship with SABB Takaful, for General Takaful insurance policies is between 10 and 12 years, hence it can be assumed that the estimated useful life of the customer relationship is 10 years. A 0.7% y-o-y growth rate has been assumed based on the historical growth of General Takaful contracts. An EBIT margin of 9.7% has been considered based on the historical EBIT margins on these policies.

The intangible is valued using the “Multi-Period Excess Earning Method”. Contributory Asset charges (CAC), which include Working Capital (WC) charge and Assembled Workforce have been adjusted with the underwriting income to arrive at the Excess Earnings. Since the working capital and capex are minimal, the CAC do not have a material impact on the cash flows. A discount factor of 16.6% (WACC+1%) has been used to discount the Excess Earnings to arrive at the value of the customer relationship intangible. The value of the General Takaful customer relationship intangible is assumed to be SAR 4.5 million initially that was adjusted by SAR 0.3 million post implementation of IFRS 17.

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, 2024

5. CASH AND CASH EQUIVALENTS AND SHORT TERM DEPOSITS

(a) Cash and cash equivalents:

Cash and cash equivalents comprise the following:

	Insurance operations		Shareholders' operations		Total	
	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	SAR "000"					
Cash and bank balances	204,691	428,908	10,072	8,506	214,763	437,414
Deposits maturing within 3 months from investment date	-	75,000	-	-	-	75,000
ECL on cash and cash equivalents	(2)	(3)	-	-	(2)	(3)
Total	204,689	503,905	10,072	8,506	214,761	512,411

(b) Short term deposits:

Short term deposits are placed with counterparties that have credit ratings equivalent to A+ to A- under Standard and Poor's, Fitch and Moody's rating Methodology. Short term deposits are placed with local and licensed foreign banks' branches in Kingdom of Saudi Arabia for a period greater than three months from the date of original acquisition and earned Commission Income at competitive rates prevailing in the market. The carrying amounts of the short-term deposits are reasonably approximate to the fair value at the statement of financial position date.

6. INVESTMENTS

Investments are classified as follows:

	Insurance operations		Shareholders' operations		Total	
	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	SAR "000"					
Investments measured at amortized cost	139,189	138,914	487,760	401,244	626,949	540,158
Investments measured at Fair Value Through Profit and Loss account (FVTPL)	-	-	550,128	484,537	550,128	484,537
Investments measured at Fair Value Through Other Comprehensive Income (FVOCI)	-	-	92,549	86,925	92,549	86,925
Total	139,189	138,914	1,130,437	972,706	1,269,626	1,111,620

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, 2024****6. INVESTMENTS (CONTINUED)**

(a) The movement in investments measured at amortized costs is as follows:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	SAR "000"	
Opening balance	540,158	509,939
Purchases	96,312	68,621
Matured during the period	(10,032)	(38,860)
Amortization and change in expected credit loss	511	458
Closing balance	626,949	540,158

(b) The movement in investments measured at fair value through profit and loss account (FVTPL) is as follows:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	SAR "000"	
Opening balance	484,537	366,187
Purchases	122,368	279,477
Disposals	(89,012)	(251,025)
Realized gain on disposals	16,698	9,202
Changes in fair value of investments, net	15,537	80,696
Closing balance	550,128	484,537

(c) The movement in investments measured at fair value through other comprehensive income (FVOCI) is as follows:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	SAR "000"	
Opening balance	86,925	79,406
Purchases	5,624	-
Changes in fair value of investments, net	-	7,519
Closing balance	92,549	86,925

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, 2024****7. PROPERTY AND EQUIPMENT, NET**

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	SAR "000"	
Land	37,193	16,400
Furniture and fixtures	5,903	6,381
Computer equipment	8,034	8,419
Vehicles	43	54
Right of use assets	22,800	4,230
Total	73,973	35,484

During the period, the Company has sold its land for a total price of SAR 36.7 million and realized a gain of SAR 20.31 million that is recorded as 'Other Income' in the interim condensed statement of income.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	SAR "000"	
Accrued expenses and other liabilities	185,458	167,541
Lease rentals	19,829	2,754
Total	205,287	170,295

9. COMMITMENTS AND CONTINGENCIES

The Company's commitments and contingencies are as follows:

	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	SAR "000"	
Letters of Guarantee	21,927	16,507

- (a) The Company has submitted these bank guarantees to various parties which are fully covered by margin deposits amounting to SAR 21.9 million (2023: SAR 16.5 million).
- (b) The Company, in common with significant majority of insurers, is subject to litigation in the normal course of its business. The Company's management, based on independent legal advice, believes that the outcome of court cases will not have a material impact on the Company's income or financial condition.

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, 2024****10. 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.

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.

June 30, 2024 (Unaudited)	Carrying	Fair value			Total
	value	Level 1	Level 2	Level 3	
SAR "000"					
Financial assets measured at fair value					
Investments measured at fair value through profit and loss (FVTPL)	550,128	373,269	-	176,859	550,128
Investment measured at fair value through other comprehensive income (FVOCI)	92,549	-	-	92,549	92,549
Total	642,677	373,269	-	269,408	642,677
<hr/>					
December 31, 2023 (Audited)	Carrying	Fair value			Total
	value	Level 1	Level 2	Level 3	
SAR "000"					
Financial assets measured at fair value					
Investments measured at FVTPL	484,537	316,140	-	168,397	484,537
Investment measured at FVOCI	86,925	-	-	86,925	86,925
Total	571,462	316,140	-	255,322	571,462

Transfer between the levels

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

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, 2024

11. 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, accrued income on investments and deposits, prepaid expenses & other assets, due from shareholders' operations, statutory deposits, accrued income on statutory deposits, investments, accrued income on investments and deposits, long term deposits, property and equipment, intangible assets and goodwill. Accordingly, these are included in unallocated assets.

Segment liabilities do not include accrued expenses and other liabilities, accrued income payable to Insurance Authority, due to insurance operations, provision for zakat and income tax, provision for end-of-service benefits (EOSB). 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 as at June 30, 2024 and December 31, 2023, its total revenues, expenses, and net income for the three and six month periods then ended, are as follows:

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, 2024

11. OPERATING SEGMENTS (CONTINUED)

Segmental statement of financial position

	Medical	Motor	Property	Energy	Engineering	Protection and Savings (P&S) - Non-Linked SAR "000"	P&S - Linked	Property and Casualty (P&C) - Others	Total insurance operations	Shareholders operations	Total
As at June 30, 2024											
(Unaudited)											
Assets											
Insurance contract assets	-	-	-	25,300	-	-	-	-	25,300	-	25,300
Reinsurance contract assets	-	4,386	154,979	619	287,472	37,440	188	194,680	679,764	-	679,764
Financial assets for unit linked insurance contracts	-	-	-	-	-	-	544,474	-	544,474	-	544,474
Unallocated assets	-	-	-	-	-	-	-	-	1,150,396	1,387,503	2,537,899
Total assets	-	4,386	154,979	25,919	287,472	37,440	544,662	194,680	2,399,934	1,387,503	3,787,437
Liabilities and equity											
Insurance contract liabilities	271,311	435,063	143,758	-	338,390	70,075	553,916	350,303	2,162,816	-	2,162,816
Reinsurance contract liabilities	3,518	-	-	-	-	-	-	-	3,518	-	3,518
Unallocated liabilities and shareholders' equity	-	-	-	-	-	-	-	-	233,600	1,387,503	1,621,103
Total liabilities and shareholders' equity	274,829	435,063	143,758	-	338,390	70,075	553,916	350,303	2,399,934	1,387,503	3,787,437

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, 2024

11. OPERATING SEGMENTS (CONTINUED)

Segmental statement of financial position (Continued)

	Medical	Motor	Property	Energy	Engineering	Protection and Savings (P&S) - Non-Linked SAR "000"	P&S - Linked	Property and Casualty (P&C) - Others	Total insurance operations	Shareholders operations	Total
As at December 31, 2023											
(Audited)											
Assets											
Insurance contract assets	-	-	-	-	-	-	-	-	-	-	-
Reinsurance contract assets	392	8,111	141,722	228,464	167,396	63,596	111	180,086	789,878	-	789,878
Financial assets for unit linked insurance contracts	-	-	-	-	-	-	543,235	-	543,235	-	543,235
Unallocated assets	-	-	-	-	-	-	-	-	1,419,430	1,354,706	2,774,136
Total assets	392	8,111	141,722	228,464	167,396	63,596	543,346	180,086	2,752,543	1,354,706	4,107,249
Liabilities and equity											
Insurance contract liabilities	306,853	547,750	219,864	239,388	251,320	97,227	552,247	340,022	2,554,671	-	2,554,671
Reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-	-
Unallocated liabilities and shareholders' equity	-	-	-	-	-	-	-	-	197,872	1,354,706	1,552,578
Total liabilities and shareholders' equity	306,853	547,750	219,864	239,388	251,320	97,227	552,247	340,022	2,752,543	1,354,706	4,107,249

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, 2024
11. OPERATING SEGMENTS (CONTINUED)
Segmental statement of income

For the three-month period ended June 30, 2024 (Unaudited)	Medical	Motor	Property	Energy	Engineering	P&S - Non-Linked	P&S - Linked	P&C- Others	Unallocated	Total
	SAR "000"									
Insurance revenue	172,458	195,650	66,493	145,246	68,838	52,649	2,678	92,164	-	796,176
Insurance service expenses	(215,309)	(172,193)	(9,646)	(202)	5,589	(47,643)	(386)	(38,865)	-	(478,655)
Insurance service results before reinsurance contracts held	(42,851)	23,457	56,847	145,044	74,427	5,006	2,292	53,299	-	317,521
Allocation of reinsurance premiums	(620)	(119)	(54,153)	(141,696)	(56,822)	(7,122)	(108)	(60,532)	-	(321,172)
Amounts recoverable from reinsurers for incurred claims	1,646	788	1,438	(1,901)	(11,250)	(6,027)	(3)	24,745	-	9,436
Net expenses from reinsurance contracts held	1,026	669	(52,715)	(143,597)	(68,072)	(13,149)	(111)	(35,787)	-	(311,736)
Insurance service results	(41,825)	24,126	4,132	1,447	6,355	(8,143)	2,181	17,512	-	5,785
Commission income on investments and deposits	-	-	-	-	-	-	-	-	18,482	18,482
Dividends on investments	-	-	-	-	-	-	-	-	5,839	5,839
Realized gain on investments measured at fair value	-	-	-	-	-	-	-	-	4,284	4,284
Unrealized gain on investments measured at fair value	-	-	-	-	-	-	-	-	8,366	8,366
Change in expected credit losses on financial assets	-	-	-	-	-	-	-	-	14	14
Net investment income	-	-	-	-	-	-	-	-	36,985	36,985
Finance expense from insurance contracts issued	(1,572)	(1,161)	(1,360)	(720)	(830)	(1,352)	(10)	(1,526)	-	(8,531)
Finance income from reinsurance contracts held	67	62	1,398	729	782	929	5	1,116	-	5,088
Net insurance finance expenses	(1,505)	(1,099)	38	9	(48)	(423)	(5)	(410)	-	(3,443)
Net insurance and investment results	(43,330)	23,027	4,170	1,456	6,307	(8,566)	2,176	17,102	36,985	39,327
Other income										758
Other operating expenses										(13,148)
Net income for the period before zakat & tax, attributable to the shareholders										26,937
Zakat & tax charge for the period										(2,500)
Net income for the period after zakat & tax, attributable to the shareholders										24,437

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, 2024
11. OPERATING SEGMENTS (CONTINUED)
Segmental statement of income (Continued)

For the three-month period ended June 30, 2023 (Unaudited)	Medical	Motor	Property	Energy	Engineering	P&S - Non-Linked	P&S - Linked	P&C- Others	Unallocated	Total
	SAR "000"									
Insurance revenue	191,836	99,502	40,979	160,891	31,447	59,523	3,719	117,290	-	705,187
Insurance service expenses	(168,635)	(122,042)	(11,135)	293	(21,743)	(47,547)	(753)	(53,666)	-	(425,228)
Insurance service results before reinsurance contracts held	23,201	(22,540)	29,844	161,184	9,704	11,976	2,966	63,624	-	279,959
Allocation of reinsurance premiums	(1,348)	(966)	(43,609)	(155,222)	(31,409)	(13,076)	-	(69,513)	-	(315,143)
Amounts recoverable from reinsurers for incurred claims	1,004	(2,499)	4,352	83	16,331	5,164	-	14,639	-	39,074
Net expenses from reinsurance contracts held	(344)	(3,465)	(39,257)	(155,139)	(15,078)	(7,912)	-	(54,874)	-	(276,069)
Insurance service results	22,857	(26,005)	(9,413)	6,045	(5,374)	4,064	2,966	8,750	-	3,890
Commission income on investments and deposits	-	-	-	-	-	-	-	-	10,872	10,872
Dividends on investments	-	-	-	-	-	-	-	-	3,631	3,631
Realized gain on investments measured at fair value	-	-	-	-	-	-	-	-	3,326	3,326
Unrealized gain on investments measured at fair value	-	-	-	-	-	-	-	-	28,632	28,632
Change in expected credit losses on financial assets	-	-	-	-	-	-	-	-	12	12
Net investment income	-	-	-	-	-	-	-	-	46,473	46,473
Finance expense from insurance contracts issued	(772)	(969)	(870)	(83)	(272)	(1,925)	(970)	(795)	-	(6,656)
Finance income from reinsurance contracts held	2	-	828	83	245	884	10	410	-	2,462
Net insurance finance expenses	(770)	(969)	(42)	-	(27)	(1,041)	(960)	(385)	-	(4,194)
Net insurance and investment results	22,087	(26,974)	(9,455)	6,045	(5,401)	3,023	2,006	8,365	46,473	46,169
Other income										1,286
Other operating expenses										(6,310)
Net income for the period before zakat & tax, attributable to the shareholders										41,145
Zakat & tax charge for the period										(2,500)
Net income for the period after zakat & tax, attributable to the shareholders										38,645

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, 2024
11. OPERATING SEGMENTS (CONTINUED)
Segmental statement of income (Continued)

For the six-month period ended June 30, 2024 (Unaudited)	Medical	Motor	Property	Energy	Engineering	P&S - Non-Linked	P&S - Linked	P&C- Others	Unallocated	Total
	SAR "000"									
Insurance revenue	334,851	396,520	147,787	285,680	118,983	95,316	5,442	178,670	-	1,563,249
Insurance service expenses	(409,598)	(370,972)	(11,503)	(48,577)	(22,432)	(75,233)	(571)	(55,792)	-	(994,678)
Insurance service results before reinsurance contracts held	(74,747)	25,548	136,284	237,103	96,551	20,083	4,871	122,878	-	568,571
Allocation of reinsurance premiums	(1,230)	(304)	(123,709)	(281,288)	(100,541)	(14,107)	(238)	(116,793)	-	(638,210)
Amounts recoverable from reinsurers for incurred claims	1,314	(1,064)	(5,496)	44,052	7,944	(5,476)	(54)	19,855	-	61,075
Net expenses from reinsurance contracts held	84	(1,368)	(129,205)	(237,236)	(92,597)	(19,583)	(292)	(96,938)	-	(577,135)
Insurance service results	(74,663)	24,180	7,079	(133)	3,954	500	4,579	25,940	-	(8,564)
Commission income on investments and deposits	-	-	-	-	-	-	-	-	39,590	39,590
Dividends on investments	-	-	-	-	-	-	-	-	9,513	9,513
Realized gain on investments measured at fair value	-	-	-	-	-	-	-	-	16,698	16,698
Unrealized gain on investments measured at fair value	-	-	-	-	-	-	-	-	15,537	15,537
Change in expected credit losses on financial assets	-	-	-	-	-	-	-	-	9	9
Net investment income	-	-	-	-	-	-	-	-	81,347	81,347
Finance expense from insurance contracts issued	(2,381)	(1,606)	(3,215)	(1,123)	(2,089)	(2,156)	(21)	(3,481)	-	(16,072)
Finance income from reinsurance contracts held	67	62	3,104	1,124	1,953	1,188	8	2,715	-	10,221
Net insurance finance expenses	(2,314)	(1,544)	(111)	1	(136)	(968)	(13)	(766)	-	(5,851)
Net insurance and investment results	(76,977)	22,636	6,968	(132)	3,818	(468)	4,566	25,174	81,347	66,932
Other income										21,773
Other operating expenses										(19,154)
Net income for the period before zakat & tax, attributable to the shareholders										69,551
Zakat & tax charge for the period										(5,250)
Net income for the period after zakat & tax, attributable to the shareholders										64,301

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, 2024
11. OPERATING SEGMENTS (CONTINUED)
Segmental statement of income (Continued)

For the six-month period ended June 30, 2023 (Unaudited)	Medical	Motor	Property	Energy	Engineering	P&S - Non-Linked	P&S - Linked	P&C- Others	Unallocated	Total
	SAR "000"									
Insurance revenue	351,659	216,503	94,429	316,350	58,094	112,252	7,474	208,063	-	1,364,824
Insurance service expenses	(342,758)	(241,011)	(8,152)	(11,196)	(21,645)	(81,754)	(1,350)	(74,314)	-	(782,180)
Insurance service results before reinsurance contracts held	8,901	(24,508)	86,277	305,154	36,449	30,498	6,124	133,749	-	582,644
Allocation of reinsurance premiums	(1,201)	(1,745)	(79,400)	(307,148)	(49,599)	(37,943)	-	(133,047)	-	(610,083)
Amounts recoverable from reinsurers for incurred claims	969	2,197	(18,829)	1,603	9,640	10,651	-	29,433	-	35,664
Net expenses from reinsurance contracts held	(232)	452	(98,229)	(305,545)	(39,959)	(27,292)	-	(103,614)	-	(574,419)
Insurance service results	8,669	(24,056)	(11,952)	(391)	(3,510)	3,206	6,124	30,135	-	8,225
Commission income on investments and deposits	-	-	-	-	-	-	-	-	21,746	21,746
Dividends on investments	-	-	-	-	-	-	-	-	7,288	7,288
Realized gain on investments measured at fair value	-	-	-	-	-	-	-	-	3,327	3,327
Unrealized gain on investments measured at fair value	-	-	-	-	-	-	-	-	43,914	43,914
Change in expected credit losses on financial assets	-	-	-	-	-	-	-	-	11	11
Net investment income	-	-	-	-	-	-	-	-	76,286	76,286
Finance expense from insurance contracts issued	(2,127)	(2,452)	(3,887)	(655)	(890)	(4,056)	2,648	(2,241)	-	(13,660)
Finance income from reinsurance contracts held	10	-	3,824	654	843	2,303	-	1,372	-	9,006
Net insurance finance expenses	(2,117)	(2,452)	(63)	(1)	(47)	(1,753)	2,648	(869)	-	(4,654)
Net insurance and investment results	6,552	(26,508)	(12,015)	(392)	(3,557)	1,453	8,772	29,266	76,286	79,857
Other income										2,420
Other operating expenses										(14,325)
Net income for the period before zakat & tax, attributable to the shareholders										67,952
Zakat & tax charge for the period										(5,000)
Net income for the period after zakat & tax, attributable to the shareholders										62,952

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS
12.1 Insurance Contract Assets and Liabilities by valuation approaches

An analysis of the amounts presented in the balance sheet for insurance contract assets and liabilities by valuation approach (PAA / GMM / VFA) has been included in the table below:

Insurance contracts assets and liabilities	Valuation Approach	June 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
		(Assets)	Liabilities	(Assets)	Liabilities
		SAR "000"			
Medical	PAA	-	271,311	-	306,853
Motor	PAA	-	435,063	-	547,750
Property	PAA	-	143,758	-	219,864
Energy	PAA	(25,300)	-	-	239,388
Engineering	PAA	-	338,390	-	251,320
P&S - non-linked	PAA	-	69,531	-	96,655
P&C - others	PAA	-	309,194	-	306,017
12.1.1 Total PAA		(25,300)	1,567,247	-	1,967,847
P&S - non-linked	GMM	-	544	-	572
P&S - linked	VFA	-	553,916	-	552,247
P&C - others	GMM	-	41,109	-	34,005
12.1.2 Total GMM/VFA		-	595,569	-	586,824
Total insurance contract assets and liabilities		(25,300)	2,162,816	-	2,554,671

12.2 Reinsurance Contract Assets and Liabilities by valuation approaches

An analysis of the amounts presented in the balance sheet for reinsurance contract assets and liabilities by valuation approach (PAA / GMM / VFA) has been included in the table below:

Reinsurance contracts assets and liabilities	Valuation Approach	June 30, 2024 (Unaudited)		December 31, 2023 (Audited)	
		Assets	(Liabilities)	Assets	(Liabilities)
		SAR "000"			
Medical	PAA	-	(3,518)	392	-
Motor	PAA	4,386	-	8,111	-
Property	PAA	154,979	-	141,722	-
Energy	PAA	619	-	228,464	-
Engineering	PAA	287,472	-	167,396	-
P&S - non-linked	PAA	37,440	-	63,596	-
P&C - others	PAA	171,695	-	157,543	-
12.2.1 Total PAA		656,591	(3,518)	767,224	-
P&S - linked	GMM	188	-	111	-
P&C - others	GMM	22,985	-	22,543	-
12.2.2 Total GMM		23,173	-	22,654	-
Total reinsurance contract assets and liabilities		679,764	(3,518)	789,878	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

An analysis of insurance contracts assets and liabilities by 'Liability for Remaining Coverage' (LFRC) and 'Liability for Incurred Claims' (LIC) along with the breakup of 'Loss Component' (LC) and 'Risk Adjustment' (RA) has been included in the below tables:

12.1.1 Insurance contracts - PAA -

Total	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
	SAR "000"					SAR "000"				
Opening insurance contract liabilities	949,383	18,386	961,831	38,247	1,967,847	458,719	15,644	1,109,965	45,818	1,630,146
Opening insurance contract assets	-	-	-	-	-	(39,292)	-	27,300	3,199	(8,793)
Net opening insurance contract liabilities	949,383	18,386	961,831	38,247	1,967,847	419,427	15,644	1,137,265	49,017	1,621,353
Insurance revenue	(1,556,777)	-	-	-	(1,556,777)	(2,872,509)	-	-	-	(2,872,509)
Incurred claims and other expenses	-	-	947,379	14,206	961,585	-	-	1,599,402	27,042	1,626,444
Losses on onerous contracts & (loss reversals)	-	(5,202)	-	-	(5,202)	-	2,742	-	-	2,742
Changes to liabilities for incurred claims	-	-	(118,185)	(18,027)	(136,212)	-	-	(217,538)	(38,669)	(256,207)
Insurance acquisition costs	172,998	-	-	-	172,998	290,244	-	-	-	290,244
Surplus distribution for the period	-	-	421	-	421	-	-	10,423	-	10,423
Insurance service expenses	172,998	(5,202)	829,615	(3,821)	993,590	290,244	2,742	1,392,287	(11,627)	1,673,646
Insurance service result before reinsurance contracts held	(1,383,779)	(5,202)	829,615	(3,821)	(563,187)	(2,582,265)	2,742	1,392,287	(11,627)	(1,198,863)
Finance expenses from insurance contracts issued	-	-	15,988	3	15,991	186	-	5,922	10	6,118
Total changes in the statement of income	(1,383,779)	(5,202)	845,603	(3,818)	(547,196)	(2,582,079)	2,742	1,398,209	(11,617)	(1,192,745)
Other movements - insurance pool portfolio	-	-	-	-	-	60,737	-	1,098	847	62,682
Premium received	1,085,996	-	-	-	1,085,996	3,407,469	-	-	-	3,407,469
Claims and directly attributable expenses paid	-	-	(811,074)	-	(811,074)	-	-	(1,574,741)	-	(1,574,741)
Insurance acquisition expenses paid	(153,626)	-	-	-	(153,626)	(356,171)	-	-	-	(356,171)
Net cash flows for insurance contracts	932,370	-	(811,074)	-	121,296	3,051,298	-	(1,574,741)	-	1,476,557
Net closing insurance contract liabilities	497,974	13,184	996,360	34,429	1,541,947	949,383	18,386	961,831	38,247	1,967,847
Closing insurance contract liabilities	665,084	13,184	861,299	27,680	1,567,247	949,383	18,386	961,831	38,247	1,967,847
Closing insurance contract assets	(167,110)	-	135,061	6,749	(25,300)	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.1 Insurance contracts - PAA -
Medical

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening insurance contract liabilities	115,331	18,301	165,856	7,365	306,853	182,360	581	109,243	12,670	304,854
Opening insurance contract assets	-	-	-	-	-	(36,647)	-	27,300	3,199	(6,148)
Net opening insurance contract liabilities	115,331	18,301	165,856	7,365	306,853	145,713	581	136,543	15,869	298,706
Insurance revenue	(334,851)	-	-	-	(334,851)	(667,999)	-	-	-	(667,999)
Incurred claims and other expenses	-	-	302,588	1,274	303,862	-	-	607,545	6,362	613,907
Losses on onerous contracts & (loss reversals)	-	(5,117)	-	-	(5,117)	-	17,720	-	-	17,720
Changes to liabilities for incurred claims	-	-	48,630	(794)	47,836	-	-	7,123	(14,936)	(7,813)
Insurance acquisition costs	62,930	-	-	-	62,930	100,806	-	-	-	100,806
Surplus distribution for the period	-	-	87	-	87	-	-	1,726	-	1,726
Insurance service expenses	62,930	(5,117)	351,305	480	409,598	100,806	17,720	616,394	(8,574)	726,346
Insurance service result before reinsurance contracts held	(271,921)	(5,117)	351,305	480	74,747	(567,193)	17,720	616,394	(8,574)	58,347
Finance expenses from insurance contracts issued	-	-	2,380	1	2,381	-	-	606	2	608
Total changes in the statement of income	(271,921)	(5,117)	353,685	481	77,128	(567,193)	17,720	617,000	(8,572)	58,955
Other movements - insurance pool portfolio	-	-	-	-	-	9,490	-	(2,558)	68	7,000
Premium received	313,818	-	-	-	313,818	651,994	-	-	-	651,994
Claims and directly attributable expenses paid	-	-	(356,286)	-	(356,286)	-	-	(585,129)	-	(585,129)
Insurance acquisition expenses paid	(70,202)	-	-	-	(70,202)	(124,673)	-	-	-	(124,673)
Net cash flows for insurance contracts	243,616	-	(356,286)	-	(112,670)	527,321	-	(585,129)	-	(57,808)
Net closing insurance contract liabilities	87,026	13,184	163,255	7,846	271,311	115,331	18,301	165,856	7,365	306,853
Closing insurance contract liabilities	87,026	13,184	163,255	7,846	271,311	115,331	18,301	165,856	7,365	306,853
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.1 Insurance contracts - PAA -
Motor

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening insurance contract liabilities	394,696	85	147,084	5,885	547,750	124,696	14,263	152,010	10,899	301,868
Opening insurance contract assets	-	-	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	394,696	85	147,084	5,885	547,750	124,696	14,263	152,010	10,899	301,868
Insurance revenue	(396,520)	-	-	-	(396,520)	(512,526)	-	-	-	(512,526)
Incurred claims and other expenses	-	-	323,333	3,635	326,968	-	-	435,801	4,212	440,013
Losses on onerous contracts & (loss reversals)	-	(85)	-	-	(85)	-	(14,178)	-	-	(14,178)
Changes to liabilities for incurred claims	-	-	(16,760)	(3,709)	(20,469)	-	-	8,048	(9,226)	(1,178)
Insurance acquisition costs	64,454	-	-	-	64,454	100,815	-	-	-	100,815
Surplus distribution for the period	-	-	104	-	104	-	-	1,325	-	1,325
Insurance service expenses	64,454	(85)	306,677	(74)	370,972	100,815	(14,178)	445,174	(5,014)	526,797
Insurance service result before reinsurance contracts held	(332,066)	(85)	306,677	(74)	(25,548)	(411,711)	(14,178)	445,174	(5,014)	14,271
Finance expenses from insurance contracts issued	-	-	1,606	-	1,606	-	-	730	-	730
Total changes in the statement of income	(332,066)	(85)	308,283	(74)	(23,942)	(411,711)	(14,178)	445,904	(5,014)	15,001
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium received	222,397	-	-	-	222,397	800,230	-	-	-	800,230
Claims and directly attributable expenses paid	-	-	(288,725)	-	(288,725)	-	-	(450,830)	-	(450,830)
Insurance acquisition expenses paid	(22,417)	-	-	-	(22,417)	(118,519)	-	-	-	(118,519)
Net cash flows for insurance contracts	199,980	-	(288,725)	-	(88,745)	681,711	-	(450,830)	-	230,881
Net closing insurance contract liabilities	262,610	-	166,642	5,811	435,063	394,696	85	147,084	5,885	547,750
Closing insurance contract liabilities	262,610	-	166,642	5,811	435,063	394,696	85	147,084	5,885	547,750
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.1 Insurance contracts - PAA -

Property	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
	SAR "000"					SAR "000"				
Opening insurance contract liabilities	61,093	-	156,077	2,694	219,864	(83,475)	-	367,565	6,978	291,068
Opening insurance contract assets	-	-	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	61,093	-	156,077	2,694	219,864	(83,475)	-	367,565	6,978	291,068
Insurance revenue	(147,787)	-	-	-	(147,787)	(223,437)	-	-	-	(223,437)
Incurred claims and other expenses	-	-	58,329	843	59,172	-	-	77,652	1,143	78,795
Losses on onerous contracts & (loss reversals)	-	-	-	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(56,301)	(1,668)	(57,969)	-	-	(49,757)	(5,427)	(55,184)
Insurance acquisition costs	10,294	-	-	-	10,294	14,896	-	-	-	14,896
Surplus distribution for the period	-	-	6	-	6	-	-	101	-	101
Insurance service expenses	10,294	-	2,034	(825)	11,503	14,896	-	27,996	(4,284)	38,608
Insurance service result before reinsurance contracts held	(137,493)	-	2,034	(825)	(136,284)	(208,541)	-	27,996	(4,284)	(184,829)
Finance expenses from insurance contracts issued	-	-	3,215	-	3,215	-	-	533	-	533
Total changes in the statement of income	(137,493)	-	5,249	(825)	(133,069)	(208,541)	-	28,529	(4,284)	(184,296)
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium received	124,626	-	-	-	124,626	369,687	-	-	-	369,687
Claims and directly attributable expenses paid	-	-	(44,460)	-	(44,460)	-	-	(240,017)	-	(240,017)
Insurance acquisition expenses paid	(23,203)	-	-	-	(23,203)	(16,578)	-	-	-	(16,578)
Net cash flows for insurance contracts	101,423	-	(44,460)	-	56,963	353,109	-	(240,017)	-	113,092
Net closing insurance contract liabilities	25,023	-	116,866	1,869	143,758	61,093	-	156,077	2,694	219,864
Closing insurance contract liabilities	25,023	-	116,866	1,869	143,758	61,093	-	156,077	2,694	219,864
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.1 Insurance contracts - PAA -
Energy

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening insurance contract liabilities	143,539	-	91,289	4,560	239,388	197,014	-	75,428	3,770	276,212
Opening insurance contract assets	-	-	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	143,539	-	91,289	4,560	239,388	197,014	-	75,428	3,770	276,212
Insurance revenue	(285,680)	-	-	-	(285,680)	(634,409)	-	-	-	(634,409)
Incurred claims and other expenses	-	-	70,885	3,520	74,405	-	-	104,747	4,560	109,307
Losses on onerous contracts & (loss reversals)	-	-	-	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(27,826)	(1,331)	(29,157)	-	-	(75,419)	(3,770)	(79,189)
Insurance acquisition costs	3,329	-	-	-	3,329	4,160	-	-	-	4,160
Surplus distribution for the period	-	-	-	-	-	-	-	-	-	-
Insurance service expenses	3,329	-	43,059	2,189	48,577	4,160	-	29,328	790	34,278
Insurance service result before reinsurance contracts held	(282,351)	-	43,059	2,189	(237,103)	(630,249)	-	29,328	790	(600,131)
Finance expenses from insurance contracts issued	-	-	1,123	-	1,123	-	-	-	-	-
Total changes in the statement of income	(282,351)	-	44,182	2,189	(235,980)	(630,249)	-	29,328	790	(600,131)
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium received	(28,147)	-	-	-	(28,147)	583,957	-	-	-	583,957
Claims and directly attributable expenses paid	-	-	(410)	-	(410)	-	-	(13,467)	-	(13,467)
Insurance acquisition expenses paid	(151)	-	-	-	(151)	(7,183)	-	-	-	(7,183)
Net cash flows for insurance contracts	(28,298)	-	(410)	-	(28,708)	576,774	-	(13,467)	-	563,307
Net closing insurance contract liabilities	(167,110)	-	135,061	6,749	(25,300)	143,539	-	91,289	4,560	239,388
Closing insurance contract liabilities	-	-	-	-	-	143,539	-	91,289	4,560	239,388
Closing insurance contract assets	(167,110)	-	135,061	6,749	(25,300)	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.1 Insurance contracts - PAA -
Engineering

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening insurance contract liabilities	150,431	-	95,813	5,076	251,320	8,249	-	69,658	2,419	80,326
Opening insurance contract assets	-	-	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	150,431	-	95,813	5,076	251,320	8,249	-	69,658	2,419	80,326
Insurance revenue	(118,983)	-	-	-	(118,983)	(177,669)	-	-	-	(177,669)
Incurred claims and other expenses	-	-	35,177	672	35,849	-	-	70,539	3,857	74,396
Losses on onerous contracts & (loss reversals)	-	-	-	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(20,536)	(3,557)	(24,093)	-	-	(26,801)	(1,200)	(28,001)
Insurance acquisition costs	10,671	-	-	-	10,671	14,975	-	-	-	14,975
Surplus distribution for the period	-	-	5	-	5	-	-	107	-	107
Insurance service expenses	10,671	-	14,646	(2,885)	22,432	14,975	-	43,845	2,657	61,477
Insurance service result before reinsurance contracts held	(108,312)	-	14,646	(2,885)	(96,551)	(162,694)	-	43,845	2,657	(116,192)
Finance expenses from insurance contracts issued	-	-	2,089	-	2,089	-	-	271	-	271
Total changes in the statement of income	(108,312)	-	16,735	(2,885)	(94,462)	(162,694)	-	44,116	2,657	(115,921)
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium received	213,519	-	-	-	213,519	322,022	-	-	-	322,022
Claims and directly attributable expenses paid	-	-	(12,587)	-	(12,587)	-	-	(17,961)	-	(17,961)
Insurance acquisition expenses paid	(19,400)	-	-	-	(19,400)	(17,146)	-	-	-	(17,146)
Net cash flows for insurance contracts	194,119	-	(12,587)	-	181,532	304,876	-	(17,961)	-	286,915
Net closing insurance contract liabilities	236,238	-	99,961	2,191	338,390	150,431	-	95,813	5,076	251,320
Closing insurance contract liabilities	236,238	-	99,961	2,191	338,390	150,431	-	95,813	5,076	251,320
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.1 Insurance contracts - PAA -
Protection and Savings (P&S) - non-linked

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening insurance contract liabilities	(54,464)	-	144,669	6,450	96,655	(45,456)	800	182,999	5,585	143,928
Opening insurance contract assets	-	-	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	(54,464)	-	144,669	6,450	96,655	(45,456)	800	182,999	5,585	143,928
Insurance revenue	(95,154)	-	-	-	(95,154)	(212,463)	-	-	-	(212,463)
Incurred claims and other expenses	-	-	76,384	2,234	78,618	-	-	203,315	4,045	207,360
Losses on onerous contracts & (loss reversals)	-	-	-	-	-	-	(800)	-	-	(800)
Changes to liabilities for incurred claims	-	-	(4,246)	(4,139)	(8,385)	-	-	(53,710)	(3,180)	(56,890)
Insurance acquisition costs	4,773	-	-	-	4,773	6,490	-	-	-	6,490
Surplus distribution for the period	-	-	203	-	203	-	-	6,809	-	6,809
Insurance service expenses	4,773	-	72,341	(1,905)	75,209	6,490	(800)	156,414	865	162,969
Insurance service result before reinsurance contracts held	(90,381)	-	72,341	(1,905)	(19,945)	(205,973)	(800)	156,414	865	(49,494)
Finance expenses from insurance contracts issued	-	-	2,151	-	2,151	-	-	2,790	-	2,790
Total changes in the statement of income	(90,381)	-	74,492	(1,905)	(17,794)	(205,973)	(800)	159,204	865	(46,704)
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium received	84,256	-	-	-	84,256	203,761	-	-	-	203,761
Claims and directly attributable expenses paid	-	-	(87,672)	-	(87,672)	-	-	(197,534)	-	(197,534)
Insurance acquisition expenses paid	(5,914)	-	-	-	(5,914)	(6,796)	-	-	-	(6,796)
Net cash flows for insurance contracts	78,342	-	(87,672)	-	(9,330)	196,965	-	(197,534)	-	(569)
Net closing insurance contract liabilities	(66,503)	-	131,489	4,545	69,531	(54,464)	-	144,669	6,450	96,655
Closing insurance contract liabilities	(66,503)	-	131,489	4,545	69,531	(54,464)	-	144,669	6,450	96,655
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.1 Insurance contracts - PAA -
Property and Casualty (P&C) - others

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening insurance contract liabilities	138,757	-	161,043	6,217	306,017	75,331	-	153,062	3,497	231,890
Opening insurance contract assets	-	-	-	-	-	(2,645)	-	-	-	(2,645)
Net opening insurance contract liabilities	138,757	-	161,043	6,217	306,017	72,686	-	153,062	3,497	229,245
Insurance revenue	(177,802)	-	-	-	(177,802)	(444,006)	-	-	-	(444,006)
Incurred claims and other expenses	-	-	80,683	2,028	82,711	-	-	99,803	2,863	102,666
Losses on onerous contracts & (loss reversals)	-	-	-	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	(41,146)	(2,829)	(43,975)	-	-	(27,022)	(930)	(27,952)
Insurance acquisition costs	16,547	-	-	-	16,547	48,102	-	-	-	48,102
Surplus distribution for the period	-	-	16	-	16	-	-	355	-	355
Insurance service expenses	16,547	-	39,553	(801)	55,299	48,102	-	73,136	1,933	123,171
Insurance service result before reinsurance contracts held	(161,255)	-	39,553	(801)	(122,503)	(395,904)	-	73,136	1,933	(320,835)
Finance expenses from insurance contracts issued	-	-	3,424	2	3,426	186	-	992	8	1,186
Total changes in the statement of income	(161,255)	-	42,977	(799)	(119,077)	(395,718)	-	74,128	1,941	(319,649)
Other movements - insurance pool portfolio	-	-	-	-	-	51,247	-	3,656	779	55,682
Premium received	155,527	-	-	-	155,527	475,818	-	-	-	475,818
Claims and directly attributable expenses paid	-	-	(20,934)	-	(20,934)	-	-	(69,803)	-	(69,803)
Insurance acquisition expenses paid	(12,339)	-	-	-	(12,339)	(65,276)	-	-	-	(65,276)
Net cash flows for insurance contracts	143,188	-	(20,934)	-	122,254	410,542	-	(69,803)	-	340,739
Net closing insurance contract liabilities	120,690	-	183,086	5,418	309,194	138,757	-	161,043	6,217	306,017
Closing insurance contract liabilities	120,690	-	183,086	5,418	309,194	138,757	-	161,043	6,217	306,017
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.2 Insurance contracts - GMM/VFA -

Total	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
	SAR "000"					SAR "000"				
Opening insurance contract liabilities	579,549	2,898	4,137	240	586,824	486,958	1,389	2,021	158	490,526
Opening insurance contract assets	-	-	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	579,549	2,898	4,137	240	586,824	486,958	1,389	2,021	158	490,526
Expected claims expenses	(907)	-	-	-	(907)	(994)	-	-	-	(994)
Expected directly attributable expenses	(2,606)	-	-	-	(2,606)	(6,703)	-	-	-	(6,703)
Loss component run off	(1,719)	-	-	-	(1,719)	(3,836)	-	-	-	(3,836)
Expected other insurance service expenses	195	-	-	-	195	322	-	-	-	322
Change in risk adjustment for non-financial risk	(8)	-	-	-	(8)	(87)	-	-	-	(87)
CSM recognized during the period	(818)	-	-	-	(818)	(2,616)	-	-	-	(2,616)
Recovery of insurance acquisition cash flows	(609)	-	-	-	(609)	(1,219)	-	-	-	(1,219)
Insurance revenue	(6,472)	-	-	-	(6,472)	(15,133)	-	-	-	(15,133)
Incurred claims and other expenses	-	-	530	3	533	-	-	3,995	128	4,123
Losses on onerous contracts & (loss reversals)	-	(626)	-	-	(626)	-	1,512	-	-	1,512
Changes to liabilities for incurred claims	-	-	572	-	572	-	-	(1,236)	(58)	(1,294)
Insurance acquisition costs	609	-	-	-	609	1,219	-	-	-	1,219
Surrenders and maturities	(63,759)	-	63,759	-	-	(112,669)	-	112,669	-	-
Insurance service expenses	(63,150)	(626)	64,861	3	1,088	(111,450)	1,512	115,428	70	5,560
Insurance service result before reinsurance contracts held	(69,622)	(626)	64,861	3	(5,384)	(126,583)	1,512	115,428	70	(9,573)
Finance expenses from insurance contracts issued	58	(66)	82	7	81	41	(3)	117	12	167
Total changes in the statement of income	(69,564)	(692)	64,943	10	(5,303)	(126,542)	1,509	115,545	82	(9,406)
Changes in fair value of unit-linked investments	35,418	-	-	-	35,418	103,336	-	-	-	103,336
Other movements - insurance pool portfolio	(106)	-	-	-	(106)	14,570	-	64	-	14,634
Premium received	43,417	-	-	-	43,417	102,822	-	-	-	102,822
Claims and directly attributable expenses paid	-	-	(64,385)	-	(64,385)	-	-	(113,493)	-	(113,493)
Insurance acquisition expenses paid	(296)	-	-	-	(296)	(1,595)	-	-	-	(1,595)
Net cash flows for insurance contracts	43,121	-	(64,385)	-	(21,264)	101,227	-	(113,493)	-	(12,266)
Net closing insurance contract liabilities	588,418	2,206	4,695	250	595,569	579,549	2,898	4,137	240	586,824
Closing insurance contract liabilities	588,418	2,206	4,695	250	595,569	579,549	2,898	4,137	240	586,824
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.2 Insurance contracts - GMM/VFA -
Protection and Savings (P&S) - non-linked

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening insurance contract liabilities	495	3	69	5	572	209	1	47	4	261
Opening insurance contract assets	-	-	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	495	3	69	5	572	209	1	47	4	261
Expected claims expenses	(57)	-	-	-	(57)	(70)	-	-	-	(70)
Expected directly attributable expenses	(8)	-	-	-	(8)	(8)	-	-	-	(8)
Loss component run off	-	-	-	-	-	-	-	-	-	-
Expected other insurance service expenses	-	-	-	-	-	-	-	-	-	-
Change in risk adjustment for non-financial risk	-	-	-	-	-	-	-	-	-	-
CSM recognized during the period	(96)	-	-	-	(96)	(196)	-	-	-	(196)
Recovery of insurance acquisition cash flows	(1)	-	-	-	(1)	(2)	-	-	-	(2)
Insurance revenue	(162)	-	-	-	(162)	(276)	-	-	-	(276)
Incurred claims and other expenses	-	-	-	-	-	-	-	-	-	-
Losses on onerous contracts & (loss reversals)	-	-	-	-	-	-	2	-	-	2
Changes to liabilities for incurred claims	-	-	21	2	23	-	-	19	1	20
Insurance acquisition costs	1	-	-	-	1	2	-	-	-	2
Surrenders and maturities	-	-	-	-	-	-	-	-	-	-
Insurance service expenses	1	-	21	2	24	2	2	19	1	24
Insurance service result before reinsurance contracts held	(161)	-	21	2	(138)	(274)	2	19	1	(252)
Finance expenses from insurance contracts issued	3	-	2	-	5	-	-	3	-	3
Total changes in the statement of income	(158)	-	23	2	(133)	(274)	2	22	1	(249)
Changes in fair value of unit-linked investments	-	-	-	-	-	-	-	-	-	-
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium received	105	-	-	-	105	560	-	-	-	560
Claims and directly attributable expenses paid	-	-	-	-	-	-	-	-	-	-
Insurance acquisition expenses paid	-	-	-	-	-	-	-	-	-	-
Net cash flows for insurance contracts	105	-	-	-	105	560	-	-	-	560
Net closing insurance contract liabilities	442	3	92	7	544	495	3	69	5	572
Closing insurance contract liabilities	442	3	92	7	544	495	3	69	5	572
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.2 Insurance contracts - GMM/VFA -
Protection and Savings (P&S) - linked

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening insurance contract liabilities	546,043	2,895	3,074	235	552,247	486,749	1,388	1,974	154	490,265
Opening insurance contract assets	-	-	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	546,043	2,895	3,074	235	552,247	486,749	1,388	1,974	154	490,265
Expected claims expenses	-	-	-	-	-	-	-	-	-	-
Expected directly attributable expenses	(2,598)	-	-	-	(2,598)	(6,695)	-	-	-	(6,695)
Loss component run off	(1,719)	-	-	-	(1,719)	(3,836)	-	-	-	(3,836)
Expected other insurance service expenses	195	-	-	-	195	322	-	-	-	322
Change in risk adjustment for non-financial risk	(7)	-	-	-	(7)	(87)	-	-	-	(87)
CSM recognized during the period	(705)	-	-	-	(705)	(2,418)	-	-	-	(2,418)
Recovery of insurance acquisition cash flows	(608)	-	-	-	(608)	(1,217)	-	-	-	(1,217)
Insurance revenue	(5,442)	-	-	-	(5,442)	(13,931)	-	-	-	(13,931)
Incurred claims and other expenses	-	-	37	3	40	-	-	2,736	128	2,864
Losses on onerous contracts & (loss reversals)	-	(626)	-	-	(626)	-	1,510	-	-	1,510
Changes to liabilities for incurred claims	-	-	551	(2)	549	-	-	(1,255)	(59)	(1,314)
Insurance acquisition costs	608	-	-	-	608	1,217	-	-	-	1,217
Surrenders and maturities	(63,759)	-	63,759	-	-	(112,669)	-	112,669	-	-
Insurance service expenses	(63,151)	(626)	64,347	1	571	(111,452)	1,510	114,150	69	4,277
Insurance service result before reinsurance contracts held	(68,593)	(626)	64,347	1	(4,871)	(125,383)	1,510	114,150	69	(9,654)
Finance expenses from insurance contracts issued	-	(66)	80	7	21	-	(3)	114	12	123
Total changes in the statement of income	(68,593)	(692)	64,427	8	(4,850)	(125,383)	1,507	114,264	81	(9,531)
Changes in fair value of unit-linked investments	35,418	-	-	-	35,418	103,336	-	-	-	103,336
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium received	35,712	-	-	-	35,712	82,936	-	-	-	82,936
Claims and directly attributable expenses paid	-	-	(64,315)	-	(64,315)	-	-	(113,164)	-	(113,164)
Insurance acquisition expenses paid	(296)	-	-	-	(296)	(1,595)	-	-	-	(1,595)
Net cash flows for insurance contracts	35,416	-	(64,315)	-	(28,899)	81,341	-	(113,164)	-	(31,823)
Net closing insurance contract liabilities	548,284	2,203	3,186	243	553,916	546,043	2,895	3,074	235	552,247
Closing insurance contract liabilities	548,284	2,203	3,186	243	553,916	546,043	2,895	3,074	235	552,247
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.1.2 Insurance contracts - GMM/VFA -
Property and Casualty (P&C) - others

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	LFRC		LIC		Total	LFRC		LIC		Total
	excluding LC	LC	excluding RA	RA		excluding LC	LC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening insurance contract liabilities	33,011	-	994	-	34,005	-	-	-	-	-
Opening insurance contract assets	-	-	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	33,011	-	994	-	34,005	-	-	-	-	-
Expected claims expenses	(850)	-	-	-	(850)	(924)	-	-	-	(924)
Expected directly attributable expenses	-	-	-	-	-	-	-	-	-	-
Loss component run off	-	-	-	-	-	-	-	-	-	-
Expected other insurance service expenses	-	-	-	-	-	-	-	-	-	-
Change in risk adjustment for non-financial risk	(1)	-	-	-	(1)	-	-	-	-	-
CSM recognized during the period	(17)	-	-	-	(17)	(2)	-	-	-	(2)
Recovery of insurance acquisition cash flows	-	-	-	-	-	-	-	-	-	-
Insurance revenue	(868)	-	-	-	(868)	(926)	-	-	-	(926)
Incurred claims and other expenses	-	-	493	-	493	-	-	1,259	-	1,259
Losses on onerous contracts & (loss reversals)	-	-	-	-	-	-	-	-	-	-
Changes to liabilities for incurred claims	-	-	-	-	-	-	-	-	-	-
Insurance acquisition costs	-	-	-	-	-	-	-	-	-	-
Surrenders and maturities	-	-	-	-	-	-	-	-	-	-
Insurance service expenses	-	-	493	-	493	-	-	1,259	-	1,259
Insurance service result before reinsurance contracts held	(868)	-	493	-	(375)	(926)	-	1,259	-	333
Finance expenses from insurance contracts issued	55	-	-	-	55	41	-	-	-	41
Total changes in the statement of income	(813)	-	493	-	(320)	(885)	-	1,259	-	374
Changes in fair value of unit-linked investments	-	-	-	-	-	-	-	-	-	-
Other movements - insurance pool portfolio	(106)	-	-	-	(106)	14,570	-	64	-	14,634
Premium received	7,600	-	-	-	7,600	19,326	-	-	-	19,326
Claims and directly attributable expenses paid	-	-	(70)	-	(70)	-	-	(329)	-	(329)
Insurance acquisition expenses paid	-	-	-	-	-	-	-	-	-	-
Net cash flows for insurance contracts	7,600	-	(70)	-	7,530	19,326	-	(329)	-	18,997
Net closing insurance contract liabilities	39,692	-	1,417	-	41,109	33,011	-	994	-	34,005
Closing insurance contract liabilities	39,692	-	1,417	-	41,109	33,011	-	994	-	34,005
Closing insurance contract assets	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

An analysis of reinsurance contracts assets / liabilities by 'Assets for Remaining Coverage' (AFRC) & 'Assets for Amounts Recoverable on Incurred Claims' (AIC) along with the breakup of 'Loss Recovery Component' (LRC) and 'Risk Adjustment' (RA) has been included in the below tables:

12.2.1 Reinsurance contracts - PAA -

Total	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC			AFRC		AIC		
	excluding LRC	LRC	excluding RA	RA	Total	excluding LRC	LRC	excluding RA	RA	Total
	SAR "000"					SAR "000"				
Opening reinsurance contract assets	111,067	-	632,922	23,235	767,224	3,091	-	778,837	19,459	801,387
Opening reinsurance contract liabilities	-	-	-	-	-	(3,931)	-	1,111	131	(2,689)
Net opening reinsurance contract assets	111,067	-	632,922	23,235	767,224	(840)	-	779,948	19,590	798,698
Allocation of reinsurance premiums	(638,258)	-	-	-	(638,258)	(1,321,410)	-	-	-	(1,321,410)
Incurred claims and other expenses	-	-	201,496	6,379	207,875	-	-	331,997	13,333	345,330
Changes to AIC for past services	-	-	(139,011)	(10,583)	(149,594)	-	-	(205,485)	(9,741)	(215,226)
Change in profit commission/ sliding scale commission	-	-	2,664	-	2,664	-	-	10,153	-	10,153
Amounts recoverable from reinsurance for incurred claims	-	-	65,149	(4,204)	60,945	-	-	136,665	3,592	140,257
Net (expenses) / income from reinsurance contracts held	(638,258)	-	65,149	(4,204)	(577,313)	(1,321,410)	-	136,665	3,592	(1,181,153)
Finance income from reinsurance contracts held	-	-	10,303	-	10,303	(29)	-	2,166	1	2,138
Total changes in the statement of income	(638,258)	-	75,452	(4,204)	(567,010)	(1,321,439)	-	138,831	3,593	(1,179,015)
Other movements - insurance pool portfolio	-	-	-	-	-	533	-	260	52	845
Premium paid	534,354	-	-	-	534,354	1,452,853	-	-	-	1,452,853
Claims recovered	-	-	(55,237)	-	(55,237)	-	-	(280,569)	-	(280,569)
Fixed commission received	(26,258)	-	-	-	(26,258)	(20,040)	-	-	-	(20,040)
Profit commission / sliding scale commission received	-	-	-	-	-	-	-	(5,548)	-	(5,548)
Net cash flows for reinsurance contracts	508,096	-	(55,237)	-	452,859	1,432,813	-	(286,117)	-	1,146,696
Net closing reinsurance contract assets	(19,095)	-	653,137	19,031	653,073	111,067	-	632,922	23,235	767,224
Closing reinsurance contract assets	(9,393)	-	647,241	18,743	656,591	111,067	-	632,922	23,235	767,224
Closing reinsurance contract liabilities	(9,702)	-	5,896	288	(3,518)	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.2.1 Reinsurance contracts - PAA -
Medical

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening reinsurance contract assets	(8,472)	-	8,490	374	392	11	-	-	-	11
Opening reinsurance contract liabilities	-	-	-	-	-	(3,614)	-	1,111	131	(2,372)
Net opening reinsurance contract assets	(8,472)	-	8,490	374	392	(3,603)	-	1,111	131	(2,361)
Allocation of reinsurance premiums	(1,230)	-	-	-	(1,230)	(3,229)	-	-	-	(3,229)
Incurred claims and other expenses	-	-	1,703	1	1,704	-	-	3,590	143	3,733
Changes to AIC for past services	-	-	(303)	(87)	(390)	-	-	(33)	100	67
Change in profit commission/ sliding scale commission	-	-	-	-	-	-	-	-	-	-
Amounts recoverable from reinsurance for incurred claims	-	-	1,400	(86)	1,314	-	-	3,557	243	3,800
Net (expenses) / income from reinsurance contracts held	(1,230)	-	1,400	(86)	84	(3,229)	-	3,557	243	571
Finance income from reinsurance contracts held	-	-	67	-	67	-	-	-	-	-
Total changes in the statement of income	(1,230)	-	1,467	(86)	151	(3,229)	-	3,557	243	571
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium paid	-	-	-	-	-	(494)	-	-	-	(494)
Claims recovered	-	-	(4,061)	-	(4,061)	-	-	3,822	-	3,822
Fixed commission received	-	-	-	-	-	(1,146)	-	-	-	(1,146)
Profit commission / sliding scale commission received	-	-	-	-	-	-	-	-	-	-
Net cash flows for reinsurance contracts	-	-	(4,061)	-	(4,061)	(1,640)	-	3,822	-	2,182
Net closing reinsurance contract assets	(9,702)	-	5,896	288	(3,518)	(8,472)	-	8,490	374	392
Closing reinsurance contract assets	-	-	-	-	-	(8,472)	-	8,490	374	392
Closing reinsurance contract liabilities	(9,702)	-	5,896	288	(3,518)	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.2.1 Reinsurance contracts - PAA -
Motor

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening reinsurance contract assets	(107)	-	7,910	308	8,111	-	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-	-	(314)	-	-	-	(314)
Net opening reinsurance contract assets	(107)	-	7,910	308	8,111	(314)	-	-	-	(314)
Allocation of reinsurance premiums	(304)	-	-	-	(304)	(2,028)	-	-	-	(2,028)
Incurred claims and other expenses	-	-	1,906	19	1,925	-	-	7,400	288	7,688
Changes to AIC for past services	-	-	(2,882)	(107)	(2,989)	-	-	(4)	20	16
Change in profit commission/ sliding scale commission	-	-	-	-	-	-	-	-	-	-
Amounts recoverable from reinsurance for incurred claims	-	-	(976)	(88)	(1,064)	-	-	7,396	308	7,704
Net (expenses) / income from reinsurance contracts held	(304)	-	(976)	(88)	(1,368)	(2,028)	-	7,396	308	5,676
Finance income from reinsurance contracts held	-	-	62	-	62	-	-	-	-	-
Total changes in the statement of income	(304)	-	(914)	(88)	(1,306)	(2,028)	-	7,396	308	5,676
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium paid	(887)	-	-	-	(887)	2,009	-	-	-	2,009
Claims recovered	-	-	(1,532)	-	(1,532)	-	-	514	-	514
Fixed commission received	-	-	-	-	-	226	-	-	-	226
Profit commission / sliding scale commission received	-	-	-	-	-	-	-	-	-	-
Net cash flows for reinsurance contracts	(887)	-	(1,532)	-	(2,419)	2,235	-	514	-	2,749
Net closing reinsurance contract assets	(1,298)	-	5,464	220	4,386	(107)	-	7,910	308	8,111
Closing reinsurance contract assets	(1,298)	-	5,464	220	4,386	(107)	-	7,910	308	8,111
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.2.1 Reinsurance contracts - PAA -

Property	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
	SAR "000"					SAR "000"				
Opening reinsurance contract assets	(33,805)	-	172,701	2,826	141,722	(56,735)	-	375,688	6,978	325,931
Opening reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-
Net opening reinsurance contract assets	(33,805)	-	172,701	2,826	141,722	(56,735)	-	375,688	6,978	325,931
Allocation of reinsurance premiums	(123,709)	-	-	-	(123,709)	(184,482)	-	-	-	(184,482)
Incurred claims and other expenses	-	-	44,113	693	44,806	-	-	61,416	1,060	62,476
Changes to AIC for past services	-	-	(51,089)	(1,159)	(52,248)	-	-	(62,255)	(5,212)	(67,467)
Change in profit commission/ sliding scale commission	-	-	1,946	-	1,946	-	-	4,199	-	4,199
Amounts recoverable from reinsurance for incurred claims	-	-	(5,030)	(466)	(5,496)	-	-	3,360	(4,152)	(792)
Net (expenses) / income from reinsurance contracts held	(123,709)	-	(5,030)	(466)	(129,205)	(184,482)	-	3,360	(4,152)	(185,274)
Finance income from reinsurance contracts held	-	-	3,104	-	3,104	-	-	444	-	444
Total changes in the statement of income	(123,709)	-	(1,926)	(466)	(126,101)	(184,482)	-	3,804	(4,152)	(184,830)
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium paid	158,469	-	-	-	158,469	197,799	-	-	-	197,799
Claims recovered	-	-	(11,922)	-	(11,922)	-	-	(205,420)	-	(205,420)
Fixed commission received	(7,189)	-	-	-	(7,189)	9,613	-	-	-	9,613
Profit commission / sliding scale commission received	-	-	-	-	-	-	-	(1,371)	-	(1,371)
Net cash flows for reinsurance contracts	151,280	-	(11,922)	-	139,358	207,412	-	(206,791)	-	621
Net closing reinsurance contract assets	(6,234)	-	158,853	2,360	154,979	(33,805)	-	172,701	2,826	141,722
Closing reinsurance contract assets	(6,234)	-	158,853	2,360	154,979	(33,805)	-	172,701	2,826	141,722
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.2.1 Reinsurance contracts - PAA -
Energy

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening reinsurance contract assets	131,648	-	92,206	4,610	228,464	90,715	-	75,267	3,763	169,745
Opening reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-
Net opening reinsurance contract assets	131,648	-	92,206	4,610	228,464	90,715	-	75,267	3,763	169,745
Allocation of reinsurance premiums	(281,288)	-	-	-	(281,288)	(623,472)	-	-	-	(623,472)
Incurred claims and other expenses	-	-	68,766	3,439	72,205	-	-	92,198	4,610	96,808
Changes to AIC for past services	-	-	(26,735)	(1,418)	(28,153)	-	-	(75,259)	(3,763)	(79,022)
Change in profit commission/ sliding scale commission	-	-	-	-	-	-	-	-	-	-
Amounts recoverable from reinsurance for incurred claims	-	-	42,031	2,021	44,052	-	-	16,939	847	17,786
Net (expenses) / income from reinsurance contracts held	(281,288)	-	42,031	2,021	(237,236)	(623,472)	-	16,939	847	(605,686)
Finance income from reinsurance contracts held	-	-	1,124	-	1,124	-	-	-	-	-
Total changes in the statement of income	(281,288)	-	43,155	2,021	(236,112)	(623,472)	-	16,939	847	(605,686)
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium paid	11,076	-	-	-	11,076	671,047	-	-	-	671,047
Claims recovered	-	-	(2,739)	-	(2,739)	-	-	-	-	-
Fixed commission received	(70)	-	-	-	(70)	(6,642)	-	-	-	(6,642)
Profit commission / sliding scale commission received	-	-	-	-	-	-	-	-	-	-
Net cash flows for reinsurance contracts	11,006	-	(2,739)	-	8,267	664,405	-	-	-	664,405
Net closing reinsurance contract assets	(138,634)	-	132,622	6,631	619	131,648	-	92,206	4,610	228,464
Closing reinsurance contract assets	(138,634)	-	132,622	6,631	619	131,648	-	92,206	4,610	228,464
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.2.1 Reinsurance contracts - PAA -
Engineering

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening reinsurance contract assets	58,149	-	104,336	4,911	167,396	(3,272)	-	79,528	2,375	78,631
Opening reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-
Net opening reinsurance contract assets	58,149	-	104,336	4,911	167,396	(3,272)	-	79,528	2,375	78,631
Allocation of reinsurance premiums	(100,541)	-	-	-	(100,541)	(136,437)	-	-	-	(136,437)
Incurred claims and other expenses	-	-	25,972	577	26,549	-	-	55,555	2,986	58,541
Changes to AIC for past services	-	-	(16,123)	(3,200)	(19,323)	-	-	(25,875)	(450)	(26,325)
Change in profit commission/ sliding scale commission	-	-	718	-	718	-	-	5,954	-	5,954
Amounts recoverable from reinsurance for incurred claims	-	-	10,567	(2,623)	7,944	-	-	35,634	2,536	38,170
Net (expenses) / income from reinsurance contracts held	(100,541)	-	10,567	(2,623)	(92,597)	(136,437)	-	35,634	2,536	(98,267)
Finance income from reinsurance contracts held	-	-	1,953	-	1,953	-	-	208	-	208
Total changes in the statement of income	(100,541)	-	12,520	(2,623)	(90,644)	(136,437)	-	35,842	2,536	(98,059)
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium paid	221,420	-	-	-	221,420	202,039	-	-	-	202,039
Claims recovered	-	-	(22)	-	(22)	-	-	(6,857)	-	(6,857)
Fixed commission received	(10,678)	-	-	-	(10,678)	(4,181)	-	-	-	(4,181)
Profit commission / sliding scale commission received	-	-	-	-	-	-	-	(4,177)	-	(4,177)
Net cash flows for reinsurance contracts	210,742	-	(22)	-	210,720	197,858	-	(11,034)	-	186,824
Net closing reinsurance contract assets	168,350	-	116,834	2,288	287,472	58,149	-	104,336	4,911	167,396
Closing reinsurance contract assets	168,350	-	116,834	2,288	287,472	58,149	-	104,336	4,911	167,396
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
**12.2.1 Reinsurance contracts - PAA -
Protection and Savings (P&S) - non-linked**

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening reinsurance contract assets	(49,820)	-	108,391	5,025	63,596	(67,859)	-	139,837	4,293	76,271
Opening reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-
Net opening reinsurance contract assets	(49,820)	-	108,391	5,025	63,596	(67,859)	-	139,837	4,293	76,271
Allocation of reinsurance premiums	(14,107)	-	-	-	(14,107)	(63,292)	-	-	-	(63,292)
Incurred claims and other expenses	-	-	7,818	227	8,045	-	-	61,717	2,433	64,150
Changes to AIC for past services	-	-	(10,891)	(2,630)	(13,521)	-	-	(32,277)	(1,701)	(33,978)
Change in profit commission/ sliding scale commission	-	-	-	-	-	-	-	-	-	-
Amounts recoverable from reinsurance for incurred claims	-	-	(3,073)	(2,403)	(5,476)	-	-	29,440	732	30,172
Net (expenses) / income from reinsurance contracts held	(14,107)	-	(3,073)	(2,403)	(19,583)	(63,292)	-	29,440	732	(33,120)
Finance income from reinsurance contracts held	-	-	1,188	-	1,188	-	-	1,031	-	1,031
Total changes in the statement of income	(14,107)	-	(1,885)	(2,403)	(18,395)	(63,292)	-	30,471	732	(32,089)
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium paid	26,295	-	-	-	26,295	81,345	-	-	-	81,345
Claims recovered	-	-	(33,960)	-	(33,960)	-	-	(61,917)	-	(61,917)
Fixed commission received	(96)	-	-	-	(96)	(14)	-	-	-	(14)
Profit commission / sliding scale commission received	-	-	-	-	-	-	-	-	-	-
Net cash flows for reinsurance contracts	26,199	-	(33,960)	-	(7,761)	81,331	-	(61,917)	-	19,414
Net closing reinsurance contract assets	(37,728)	-	72,546	2,622	37,440	(49,820)	-	108,391	5,025	63,596
Closing reinsurance contract assets	(37,728)	-	72,546	2,622	37,440	(49,820)	-	108,391	5,025	63,596
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
**12.2.1 Reinsurance contracts - PAA -
Property and Casualty (P&C) - others**

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening reinsurance contract assets	13,474	-	138,888	5,181	157,543	40,231	-	108,517	2,050	150,798
Opening reinsurance contract liabilities	-	-	-	-	-	(3)	-	-	-	(3)
Net opening reinsurance contract assets	13,474	-	138,888	5,181	157,543	40,228	-	108,517	2,050	150,795
Allocation of reinsurance premiums	(117,079)	-	-	-	(117,079)	(308,470)	-	-	-	(308,470)
Incurred claims and other expenses	-	-	51,218	1,423	52,641	-	-	50,121	1,813	51,934
Changes to AIC for past services	-	-	(30,988)	(1,982)	(32,970)	-	-	(9,782)	1,265	(8,517)
Change in profit commission/ sliding scale commission	-	-	-	-	-	-	-	-	-	-
Amounts recoverable from reinsurance for incurred claims	-	-	20,230	(559)	19,671	-	-	40,339	3,078	43,417
Net (expenses) / income from reinsurance contracts held	(117,079)	-	20,230	(559)	(97,408)	(308,470)	-	40,339	3,078	(265,053)
Finance income from reinsurance contracts held	-	-	2,805	-	2,805	(29)	-	483	1	455
Total changes in the statement of income	(117,079)	-	23,035	(559)	(94,603)	(308,499)	-	40,822	3,079	(264,598)
Other movements - insurance pool portfolio	-	-	-	-	-	533	-	260	52	845
Premium paid	117,981	-	-	-	117,981	299,108	-	-	-	299,108
Claims recovered	-	-	(1,001)	-	(1,001)	-	-	(10,711)	-	(10,711)
Fixed commission received	(8,225)	-	-	-	(8,225)	(17,896)	-	-	-	(17,896)
Profit commission / sliding scale commission received	-	-	-	-	-	-	-	-	-	-
Net cash flows for reinsurance contracts	109,756	-	(1,001)	-	108,755	281,212	-	(10,711)	-	270,501
Net closing reinsurance contract assets	6,151	-	160,922	4,622	171,695	13,474	-	138,888	5,181	157,543
Closing reinsurance contract assets	6,151	-	160,922	4,622	171,695	13,474	-	138,888	5,181	157,543
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.2.2 Reinsurance contracts - GMM-VFA -

Total	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
	SAR "000"					SAR "000"				
Opening reinsurance contract assets	21,259	392	961	42	22,654	-	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-	-	(1,048)	-	444	35	(569)
Net opening reinsurance contract assets	21,259	392	961	42	22,654	(1,048)	-	444	35	(569)
Expected claims recoverable	(30)	-	-	-	(30)	(404)	-	-	-	(404)
CSM recognized during the period	78	-	-	-	78	201	-	-	-	201
Allocation of reinsurance premiums	48	-	-	-	48	(203)	-	-	-	(203)
Incurred claims and other expenses	-	-	184	-	184	-	-	648	16	664
Loss recovery component for onerous contracts	-	(146)	-	-	(146)	-	392	-	-	392
Changes to AIC for past services	-	-	86	6	92	-	-	(4)	(11)	(15)
Amounts recoverable from reinsurance for incurred claims	-	(146)	270	6	130	-	392	644	5	1,041
Net (expenses) / income from reinsurance contracts held	48	(146)	270	6	178	(203)	392	644	5	838
Finance income from reinsurance contracts held	(106)	7	15	2	(82)	(229)	-	21	2	(206)
Total changes in the statement of income	(58)	(139)	285	8	96	(432)	392	665	7	632
Other movements - insurance pool portfolio	-	-	-	-	-	4,135	-	-	-	4,135
Premium paid	361	-	-	-	361	22,154	-	-	-	22,154
Claims recovered	-	-	-	-	-	-	-	(148)	-	(148)
Fixed commission received	62	-	-	-	62	(3,550)	-	-	-	(3,550)
Net cash flows for reinsurance contracts	423	-	-	-	423	18,604	-	(148)	-	18,456
Net closing reinsurance contract assets	21,624	253	1,246	50	23,173	21,259	392	961	42	22,654
Closing reinsurance contract assets	21,624	253	1,246	50	23,173	21,259	392	961	42	22,654
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
**12.2.2 Reinsurance contracts - GMM-VFA -
Protection and Savings (P&S) - linked**

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening reinsurance contract assets	(858)	392	535	42	111	-	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-	-	(1,048)	-	444	35	(569)
Net opening reinsurance contract assets	(858)	392	535	42	111	(1,048)	-	444	35	(569)
Expected claims recoverable	(299)	-	-	-	(299)	(600)	-	-	-	(600)
CSM recognized during the period	61	-	-	-	61	204	-	-	-	204
Allocation of reinsurance premiums	(238)	-	-	-	(238)	(396)	-	-	-	(396)
Incurred claims and other expenses	-	-	-	-	-	-	-	222	16	238
Loss recovery component for onerous contracts	-	(146)	-	-	(146)	-	392	-	-	392
Changes to AIC for past services	-	-	86	6	92	-	-	(4)	(11)	(15)
Amounts recoverable from reinsurance for incurred claims	-	(146)	86	6	(54)	-	392	218	5	615
Net (expenses) / income from reinsurance contracts held	(238)	(146)	86	6	(292)	(396)	392	218	5	219
Finance income from reinsurance contracts held	(16)	7	15	2	8	(41)	-	21	2	(18)
Total changes in the statement of income	(254)	(139)	101	8	(284)	(437)	392	239	7	201
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-	-	-
Premium paid	361	-	-	-	361	627	-	-	-	627
Claims recovered	-	-	-	-	-	-	-	(148)	-	(148)
Fixed commission received	-	-	-	-	-	-	-	-	-	-
Net cash flows for reinsurance contracts	361	-	-	-	361	627	-	(148)	-	479
Net closing reinsurance contract assets	(751)	253	636	50	188	(858)	392	535	42	111
Closing reinsurance contract assets	(751)	253	636	50	188	(858)	392	535	42	111
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)
12.2.2 Reinsurance contracts - GMM-VFA -
Property and Casualty (P&C) - others

	For the period ended June 30, 2024 (Unaudited)					For the year ended December 31, 2023 (Audited)				
	AFRC		AIC		Total	AFRC		AIC		Total
	excluding LRC	LRC	excluding RA	RA		excluding LRC	LRC	excluding RA	RA	
SAR "000"					SAR "000"					
Opening reinsurance contract assets	22,117	-	426	-	22,543	-	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-
Net opening reinsurance contract assets	22,117	-	426	-	22,543	-	-	-	-	-
Expected claims recoverable	269	-	-	-	269	196	-	-	-	196
CSM recognized during the period	17	-	-	-	17	(3)	-	-	-	(3)
Allocation of reinsurance premiums	286	-	-	-	286	193	-	-	-	193
Incurred claims and other expenses	-	-	184	-	184	-	-	426	-	426
Loss recovery component for onerous contracts	-	-	-	-	-	-	-	-	-	-
Changes to AIC for past services	-	-	-	-	-	-	-	-	-	-
Amounts recoverable from reinsurance for incurred claims	-	-	184	-	184	-	-	426	-	426
Net (expenses) / income from reinsurance contracts held	286	-	184	-	470	193	-	426	-	619
Finance income from reinsurance contracts held	(90)	-	-	-	(90)	(188)	-	-	-	(188)
Total changes in the statement of income	196	-	184	-	380	5	-	426	-	431
Other movements - insurance pool portfolio	-	-	-	-	-	4,135	-	-	-	4,135
Premium paid	-	-	-	-	-	21,527	-	-	-	21,527
Claims recovered	-	-	-	-	-	-	-	-	-	-
Fixed commission received	62	-	-	-	62	(3,550)	-	-	-	(3,550)
Net cash flows for reinsurance contracts	62	-	-	-	62	17,977	-	-	-	17,977
Net closing reinsurance contract assets	22,375	-	610	-	22,985	22,117	-	426	-	22,543
Closing reinsurance contract assets	22,375	-	610	-	22,985	22,117	-	426	-	22,543
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

12.3 An analysis of measurement components of insurance and reinsurance contract assets and liabilities i.e. 'Estimates of Present Value of Future Cash Flows' (PVFCF), 'Risk Adjustment' (RA) and 'Contractual Service Margin' (CSM) for the contracts measured under the GMM - VFA has been included in the below tables

12.3 Insurance contracts (GMM/VFA)

Total	For the period ended June 30, 2024 (Unaudited)				For the year ended December 31, 2023 (Audited)			
	Estimates of PVFCF	Risk Adjustment (RA)	Contractual Service Margin (CSM)	Total	Estimates of PVFCF	Risk Adjustment (RA)	Contractual Service Margin (CSM)	Total
	SAR "000"				SAR "000"			
Opening insurance contract liabilities	532,510	1,664	52,650	586,824	452,951	919	36,656	490,526
Opening insurance contract assets	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	532,510	1,664	52,650	586,824	452,951	919	36,656	490,526
Changes that relate to current services	(4,700)	(6)	(820)	(5,526)	(7,542)	41	(2,614)	(10,115)
Changes that relate to future services	(8,671)	337	7,904	(430)	2,720	113	(997)	1,836
Changes that relate to past services	572	-	-	572	(1,236)	(58)	-	(1,294)
Insurance service result before reinsurance contracts held	(12,799)	331	7,084	(5,384)	(6,058)	96	(3,611)	(9,573)
Finance expenses from insurance contracts	(229)	10	300	81	(1,621)	44	1,744	167
Total changes in the statement of income	(13,028)	341	7,384	(5,303)	(7,679)	140	(1,867)	(9,406)
Changes in fair value of unit-linked investments	35,418	-	-	35,418	103,336	-	-	103,336
Other movements - insurance pool portfolio	(106)	-	-	(106)	(3,832)	605	17,861	14,634
Premium received	43,417	-	-	43,417	102,822	-	-	102,822
Claims and directly attributable expenses paid	(64,385)	-	-	(64,385)	(113,493)	-	-	(113,493)
Insurance acquisition expenses paid	(296)	-	-	(296)	(1,595)	-	-	(1,595)
Net cash flows for insurance contracts	(21,264)	-	-	(21,264)	(12,266)	-	-	(12,266)
Net closing insurance contract liabilities	533,530	2,005	60,034	595,569	532,510	1,664	52,650	586,824
Closing insurance contract liabilities	533,530	2,005	60,034	595,569	532,510	1,664	52,650	586,824
Closing insurance contract assets	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

12.3 Insurance contracts (GMM/VFA) P&S - non-linked	For the period ended June 30, 2024 (Unaudited)				For the year ended December 31, 2023 (Audited)			
	Estimates of	Risk Adjustment	Contractual Service	Total	Estimates of	Risk Adjustment	Contractual Service	Total
	PVFCF	(RA)	Margin (CSM)		PVFCF	(RA)	Margin (CSM)	
	SAR "000"				SAR "000"			
Opening insurance contract liabilities	86	5	481	572	32	4	225	261
Opening insurance contract assets	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	86	5	481	572	32	4	225	261
Changes that relate to current services	(65)	-	(96)	(161)	(79)	-	(196)	(275)
Changes that relate to future services	(120)	-	120	-	(441)	-	444	3
Changes that relate to past services	21	2	-	23	19	1	-	20
Insurance service result before reinsurance contracts held	(164)	2	24	(138)	(501)	1	248	(252)
Finance expenses from insurance contracts	-	-	5	5	(5)	-	8	3
Total changes in the statement of income	(164)	2	29	(133)	(506)	1	256	(249)
Changes in fair value of unit-linked investments	-	-	-	-	-	-	-	-
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-
Premium received	105	-	-	105	560	-	-	560
Claims and directly attributable expenses paid	-	-	-	-	-	-	-	-
Insurance acquisition expenses paid	-	-	-	-	-	-	-	-
Net cash flows for insurance contracts	105	-	-	105	560	-	-	560
Net closing insurance contract liabilities	27	7	510	544	86	5	481	572
Closing insurance contract liabilities	27	7	510	544	86	5	481	572
Closing insurance contract assets	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

12.3 Insurance contracts (GMM/VFA) P&S - non-linked	For the period ended June 30, 2024 (Unaudited)				For the year ended December 31, 2023 (Audited)			
	Estimates of	Risk Adjustment	Contractual Service	Total	Estimates of	Risk Adjustment	Contractual Service	Total
	PVFCF	(RA)	Margin (CSM)		PVFCF	(RA)	Margin (CSM)	
	SAR "000"				SAR "000"			
Opening insurance contract liabilities	535,159	327	16,761	552,247	452,919	915	36,431	490,265
Opening insurance contract assets	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	535,159	327	16,761	552,247	452,919	915	36,431	490,265
Changes that relate to current services	(4,280)	(5)	(705)	(4,990)	(7,796)	41	(2,418)	(10,173)
Changes that relate to future services	(1,147)	(9)	726	(430)	21,172	(614)	(18,725)	1,833
Changes that relate to past services	551	(2)	-	549	(1,255)	(59)	-	(1,314)
Insurance service result before reinsurance contracts held	(4,876)	(16)	21	(4,871)	12,121	(632)	(21,143)	(9,654)
Finance expenses from insurance contracts	(174)	10	185	21	(1,394)	44	1,473	123
Total changes in the statement of income	(5,050)	(6)	206	(4,850)	10,727	(588)	(19,670)	(9,531)
Changes in fair value of unit-linked investments	35,418	-	-	35,418	103,336	-	-	103,336
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-
Premium received	35,712	-	-	35,712	82,936	-	-	82,936
Claims and directly attributable expenses paid	(64,315)	-	-	(64,315)	(113,164)	-	-	(113,164)
Insurance acquisition expenses paid	(296)	-	-	(296)	(1,595)	-	-	(1,595)
Net cash flows for insurance contracts	(28,899)	-	-	(28,899)	(31,823)	-	-	(31,823)
Net closing insurance contract liabilities	536,628	321	16,967	553,916	535,159	327	16,761	552,247
Closing insurance contract liabilities	536,628	321	16,967	553,916	535,159	327	16,761	552,247
Closing insurance contract assets	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

12.3 Insurance contracts (GMM/VFA) P&C - others	For the period ended June 30, 2024 (Unaudited)				For the year ended December 31, 2023 (Audited)			
	Estimates of PVFCF	Risk Adjustment (RA)	Contractual Margin (CSM)	Service Total	Estimates of PVFCF	Risk Adjustment (RA)	Contractual Margin (CSM)	Service Total
	SAR "000"				SAR "000"			
Opening insurance contract liabilities	(2,735)	1,332	35,408	34,005	-	-	-	-
Opening insurance contract assets	-	-	-	-	-	-	-	-
Net opening insurance contract liabilities	(2,735)	1,332	35,408	34,005	-	-	-	-
Changes that relate to current services	(355)	(1)	(19)	(375)	333	-	-	333
Changes that relate to future services	(7,404)	346	7,058	-	(18,011)	727	17,284	-
Changes that relate to past services	-	-	-	-	-	-	-	-
Insurance service result before reinsurance contracts held	(7,759)	345	7,039	(375)	(17,678)	727	17,284	333
Finance expenses from insurance contracts	(55)	-	110	55	(222)	-	263	41
Total changes in the statement of income	(7,814)	345	7,149	(320)	(17,900)	727	17,547	374
Changes in fair value of unit-linked investments	-	-	-	-	-	-	-	-
Other movements - insurance pool portfolio	(106)	-	-	(106)	(3,832)	605	17,861	14,634
Premium received	7,600	-	-	7,600	19,326	-	-	19,326
Claims and directly attributable expenses paid	(70)	-	-	(70)	(329)	-	-	(329)
Insurance acquisition expenses paid	-	-	-	-	-	-	-	-
Net cash flows for insurance contracts	7,530	-	-	7,530	18,997	-	-	18,997
Net closing insurance contract liabilities	(3,125)	1,677	42,557	41,109	(2,735)	1,332	35,408	34,005
Closing insurance contract liabilities	(3,125)	1,677	42,557	41,109	(2,735)	1,332	35,408	34,005
Closing insurance contract assets	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

12.3 Reinsurance contracts (GMM-VFA)	For the period ended June 30, 2024 (Unaudited)				For the year ended December 31, 2023 (Audited)			
	Estimates of	Risk Adjustment	Contractual Service	Total	Estimates of	Risk Adjustment	Contractual Service	Total
	PVFCF	(RA)	Margin (CSM)		PVFCF	(RA)	Margin (CSM)	
Total	SAR "000"				SAR "000"			
Opening reinsurance contract assets	(4,072)	(1,169)	27,895	22,654	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-	444	35	(1,048)	(569)
Net opening reinsurance contract assets	(4,072)	(1,169)	27,895	22,654	444	35	(1,048)	(569)
Changes that relate to current services	154	-	78	232	253	7	201	461
Changes that relate to future services	(5,635)	(309)	5,798	(146)	(13,240)	(649)	14,280	391
Changes that relate to past services	86	6	-	92	(12)	(2)	-	(14)
Net (expenses) / income from reinsurance contracts held	(5,395)	(303)	5,876	178	(12,999)	(644)	14,481	838
Finance income from reinsurance contracts held	(166)	1	83	(82)	(377)	2	169	(206)
Total changes in the statement of income	(5,561)	(302)	5,959	96	(13,376)	(642)	14,650	632
Other movements - insurance pool portfolio	-	-	-	-	(9,596)	(562)	14,293	4,135
Premium paid	361	-	-	361	22,154	-	-	22,154
Claims recovered	-	-	-	-	(148)	-	-	(148)
Fixed commission received	62	-	-	62	(3,550)	-	-	(3,550)
Net cash flows for reinsurance contracts	423	-	-	423	18,456	-	-	18,456
Net closing reinsurance contract assets	(9,210)	(1,471)	33,854	23,173	(4,072)	(1,169)	27,895	22,654
Closing reinsurance contract assets	(9,210)	(1,471)	33,854	23,173	(4,072)	(1,169)	27,895	22,654
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

12.3 Reinsurance contracts (GMM-VFA P&S - non-linked	For the period ended June 30, 2024 (Unaudited)				For the year ended December 31, 2023 (Audited)			
	Estimates of	Risk Adjustment	Contractual Service	Total	Estimates of	Risk Adjustment	Contractual Service	Total
	PVFCF	(RA)	Margin (CSM)		PVFCF	(RA)	Margin (CSM)	
	SAR "000"				SAR "000"			
Opening reinsurance contract assets	536	42	(467)	111	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-	444	35	(1,048)	(569)
Net opening reinsurance contract assets	536	42	(467)	111	444	35	(1,048)	(569)
Changes that relate to current services	(299)	-	61	(238)	(369)	7	204	(158)
Changes that relate to future services	(61)	-	(85)	(146)	(27)	-	418	391
Changes that relate to past services	86	6	-	92	(12)	(2)	-	(14)
Net (expenses) / income from reinsurance contracts held	(274)	6	(24)	(292)	(408)	5	622	219
Finance income from reinsurance contracts held	15	1	(8)	8	21	2	(41)	(18)
Total changes in the statement of income	(259)	7	(32)	(284)	(387)	7	581	201
Other movements - insurance pool portfolio	-	-	-	-	-	-	-	-
Premium paid	361	-	-	361	627	-	-	627
Claims recovered	-	-	-	-	(148)	-	-	(148)
Fixed commission received	-	-	-	-	-	-	-	-
Net cash flows for reinsurance contracts	361	-	-	361	479	-	-	479
Net closing reinsurance contract assets	638	49	(499)	188	536	42	(467)	111
Closing reinsurance contract assets	638	49	(499)	188	536	42	(467)	111
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

12.3 Reinsurance contracts (GMM-VFA P&C - others	For the period ended June 30, 2024 (Unaudited)				For the year ended December 31, 2023 (Audited)			
	Estimates of PVFCF	Risk Adjustment (RA)	Contractual Service Margin (CSM)	Total	Estimates of PVFCF	Risk Adjustment (RA)	Contractual Service Margin (CSM)	Total
	SAR "000"				SAR "000"			
Opening reinsurance contract assets	(4,608)	(1,211)	28,362	22,543	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-	-	-	-	-
Net opening reinsurance contract assets	(4,608)	(1,211)	28,362	22,543	-	-	-	-
Changes that relate to current services	453	-	17	470	622	-	(3)	619
Changes that relate to future services	(5,574)	(309)	5,883	-	(13,213)	(649)	13,862	-
Changes that relate to past services	-	-	-	-	-	-	-	-
Net (expenses) / income from reinsurance contracts held	(5,121)	(309)	5,900	470	(12,591)	(649)	13,859	619
Finance income from reinsurance contracts held	(181)	-	91	(90)	(398)	-	210	(188)
Total changes in the statement of income	(5,302)	(309)	5,991	380	(12,989)	(649)	14,069	431
Other movements - insurance pool portfolio	-	-	-	-	(9,596)	(562)	14,293	4,135
Premium paid	-	-	-	-	21,527	-	-	21,527
Claims recovered	-	-	-	-	-	-	-	-
Fixed commission received	62	-	-	62	(3,550)	-	-	(3,550)
Net cash flows for reinsurance contracts	62	-	-	62	17,977	-	-	17,977
Net closing reinsurance contract assets	(9,848)	(1,520)	34,353	22,985	(4,608)	(1,211)	28,362	22,543
Closing reinsurance contract assets	(9,848)	(1,520)	34,353	22,985	(4,608)	(1,211)	28,362	22,543
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-

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, 2024

12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

12.4 Impact of new contracts issued in the period for the contracts measured under the GMM/VFA valuation approaches:

	For the three-month period ended June 30, 2024			For the three-month period ended June 30, 2023		
	(Unaudited)			(Unaudited)		
	Non-onerous contracts issued	Onerous contracts issued	Total	Non-onerous contracts issued	Onerous contracts issued	Total
	SAR "000"			SAR "000"		
Insurance acquisition cash flows	3,722	25	3,747	312	163	475
Claims and other directly attributable expenses	7,162	20	7,182	614	185	799
Estimates of the present value of future cash outflows	10,884	45	10,929	926	348	1,274
Estimates of the present value of future cash inflows	(18,447)	(4)	(18,451)	(1,332)	(269)	(1,601)
Risk adjustment for non-financial risk	348	-	348	9	4	13
Contractual service margin (CSM)	7,215	(37)	7,178	397	(83)	314
Increase in insurance contract liabilities from the new contracts issued in the period	-	4	4	-	-	-

	For the six-month period ended June 30, 2024			For the six-month period ended June 30, 2023		
	(Unaudited)			(Unaudited)		
	Non-onerous contracts issued	Onerous contracts issued	Total	Non-onerous contracts issued	Onerous contracts issued	Total
	SAR "000"			SAR "000"		
Insurance acquisition cash flows	3,874	43	3,917	835	376	1,211
Claims and other directly attributable expenses	7,445	43	7,488	1,813	422	2,235
Estimates of the present value of future cash outflows	11,319	86	11,405	2,648	798	3,446
Estimates of the present value of future cash inflows	(19,228)	(13)	(19,241)	(3,835)	(559)	(4,394)
Risk adjustment for non-financial risk	351	-	351	26	9	35
Contractual service margin (CSM)	7,558	(37)	7,521	1,161	(83)	1,078
Increase in insurance contract liabilities from the new contracts issued in the period	-	36	36	-	165	165

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, 2024
12. INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

12.4 For contracts measured under the GMM/VFA valuation approaches, insurance revenue and the 'Contractual Service Margin' (CSM) movement by transition methods is as below:

- a) New contracts issued and contracts measured under the full retrospective approach at transition (Full retrospective)
- b) Contracts measured under the modified retrospective approach at transition (Modified retrospective)
- c) Contracts measured under the fair value approach at transition (Fair value)

	For the three-month period ended June 30, 2024 (Unaudited)				For the three-month period ended June 30, 2023 (Unaudited)			
	Full retrospective	Modified retrospective	Fair value	Total	Full retrospective	Modified retrospective	Fair value	Total
	SAR "000"				SAR "000"			
Insurance revenue	2,612	261	762	3,635	2,074	469	1,331	3,874
CSM at the beginning of the period	51,495	1,180	290	52,965	19,545	5,635	12,262	37,442
CSM recognized during the period for services	(384)	(31)	(11)	(426)	(480)	(132)	(295)	(907)
Changes in estimates that adjust the CSM	43	56	15	114	385	314	(61)	638
Contracts initially recognized during the period	7,178	-	-	7,178	314	-	-	314
Finance expenses from insurance contracts issued	185	1	17	203	141	13	258	412
Total amount recognized in the statement of income	7,022	26	21	7,069	360	195	(98)	457
CSM at the end of the period	58,517	1,206	311	60,034	19,905	5,830	12,164	37,899
	For the six-month period ended June 30, 2024 (Unaudited)				For the six-month period ended June 30, 2023 (Unaudited)			
	Full retrospective	Modified retrospective	Fair value	Total	Full retrospective	Modified retrospective	Fair value	Total
	SAR "000"				SAR "000"			
Insurance revenue	4,381	535	1,556	6,472	3,965	945	2,728	7,638
CSM at the beginning of the period	51,213	1,131	306	52,650	17,731	5,441	13,484	36,656
CSM recognized during the period for services	(738)	(61)	(21)	(820)	(825)	(261)	(603)	(1,689)
Changes in estimates that adjust the CSM	257	134	(8)	383	1,664	626	(1,162)	1,128
Contracts initially recognized during the period	7,521	-	-	7,521	1,078	-	-	1,078
Finance expenses from insurance contracts issued	264	2	34	300	257	24	445	726
Total amount recognized in the statement of income	7,304	75	5	7,384	2,174	389	(1,320)	1,243
CSM at the end of the period	58,517	1,206	311	60,034	19,905	5,830	12,164	37,899

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, 2024****13. 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:

	Transactions for the six-month period ended		Net balance receivable / (payable) as at	
	June 30, 2024	June 30, 2023	June 30, 2024	December 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	SAR "000"		SAR "000"	
Insurance premium written / receivable from:				
-Board directors and related parties	5,547	8,292	10,181	3,310
-Key management personnel	14	20	-	-
-Major shareholders and related parties	4,494	10,939	4,444	1,971
Claims paid and payable to:				
-Board directors and related parties	1,820	2,871	(14,977)	(16,835)
-Key management personnel	5	-	-	-
-Major shareholders and related parties	3,300	25,281	(28,017)	(33,936)
Other business with board directors and related parties	1,697	-	(1,379)	(3,830)
Policy acquisition costs with major shareholders and related parties	2,345	1,118	(4,168)	(3,820)
Rebate income from major shareholders and related parties	959	862	470	-

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

	June 30, 2024	June 30, 2023
	(Unaudited)	(Unaudited)
	SAR "000"	
Salaries and other allowances	3,829	3,354
Provision for end of service benefits	903	693
	4,732	4,047
Remuneration to those charged with governance	2,750	2,500

14. ZAKAT, INCOME TAX AND VAT

The Company has filed its zakat and income tax returns with Zakat, Tax, and Customs Authority ("ZATCA") up to the year ended December 31, 2023, and obtained the required certificate from ZATCA that is valid up to April 30, 2025.

(a) Status of assessments

Zakat and income tax:

In 2019, the Company has received zakat and tax assessment for the year 2016 claiming an additional zakat and tax liability amounting to SAR 20.0 million. The Company successfully appealed against most of the items in this assessment and paid an amount of SAR 1.9 million as a full and final settlement.

In 2020, the Company received zakat and tax assessments for the year 2014 claiming an additional zakat and tax liability amounting to SAR 5.9 million. In addition to 2014, the Company also received zakat and tax assessments for the years 2015, 2017 and 2018 claiming an additional zakat and tax liability amounting to SAR 9.3 million.

The Company appealed against these assessments to General Secretariat of Tax Committees ("GSTC"). However, during 2023, the internal settlement committee offered an amount of SAR 9.2 million for years 2014, 2017 and 2018 to close the appeal. The Company accepted the offer and paid the settlement amount in 2024 as a full and final settlement.

For 2015 appeal, the GSTC issued a decision rejecting the Company's appeal in full and requested the Company to pay the initial assessment amount of SAR 2.59 million. The Company submitted a reconsideration request which got rejected, thus, the Company paid the amount of SAR 2.59 million in 2024, and the case is closed.

During the year 2022, the Company received zakat and tax assessments for the years 2019 and 2020 claiming an additional zakat and tax liability amounting to SAR 8.8 million. The Company appealed against these assessments and in order for the objection to be accepted, the Company had partially paid ten percent (10%) of assessed amount. During the year 2023, the internal settlement committee offered an amount of SAR 5.59 million to close the appeal. The Company accepted the offer and paid the settlement amount in 2023 as a full and final settlement.

During the year 2023, the Company submitted documents required by ZATCA for the years 2021 and 2022 and is awaiting ZATCA's response.

During June 2024, the Company received zakat and income tax audit request from ZATCA for year 2023 and is currently working on submitting the requirements to ZATCA.

Also, during June 2024, the Company received withholding tax audit request from ZATCA for tax period of December 2023 and is currently working on submitting the requirements to ZATCA.

Indirect tax (VAT):

During the year 2023, the Company received VAT assessments for the years from 2018 to 2020 claiming an additional liability amounting to SAR 27 million. The Company settled the VAT liability amounting to SAR 9.7 million to get benefit from amnesty of the delay fines. ZATCA re-studied the case which resulted in a credit balance in favour of the Company amounting to SAR 0.23 million, and the case is closed.

During the year 2023, the Company submitted documents required by ZATCA for the years 2021 and 2022 and is awaiting ZATCA's response.

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, 2024

14. ZAKAT, INCOME TAX AND VAT (CONTINUED)

(a) Status of assessments (Continued)

Status of assessments for SABB Takaful:

(merged in 2022, refer note 15)

Zakat and income tax:

During the year 2018, ZATCA issued zakat and tax assessments for years from 2011 to 2014. The Company filed an objection against the ZATCA assessments. Since ZATCA rejected the objection, the Company filed an appeal to GSTC. During the year 2023, the case reached to the final level of appeal, and the decision was in the Company's favour and the Company paid SAR 0.77 million. ZATCA re-studied the GSTC ruling which resulted in a credit balances in favour of the Company amounting to SAR 1.39 million, and the case is closed.

During the year 2019, ZATCA issued the zakat and tax assessment for the year 2018. The Company filed an appeal against the assessment, with net zakat impact of SAR 0.9 million. Upon rejection of the appeals by GSTC and TVDRC, the Company appealed to the Tax Violations and Disputes Appellate Committee "TVDAC" in the year 2022. TVDAC issued order in Company's favour claiming a liability of SAR 0.16 million which was settled against the credit balance, and the case is closed.

During the year 2021, ZATCA issued zakat and tax assessments for years 2019 and 2020 claiming an additional zakat and tax liability amounting to SAR 0.4 million for which the Company submitted an objection to ZATCA. Objection result was not in favour of the Company and as a result, the Company paid the amount of SAR 0.4 million in 2023, and the case is closed.

During the year 2024, the ZATCA finalized zakat and tax assessments for the years 2021 and 2022 (short period till the date of merger) with no differences on the Company, and the case is closed.

Indirect tax (VAT):

During the year 2020, ZATCA raised an assessment based on the tax audit conducted with respect to VAT. In the said assessment, ZATCA had decided to apply 5% VAT on the policyholder charges for life insurance policies supplied by the Company with effect from January 1, 2018, till November 30, 2019 along with the late payment penalties, amounting to SAR 1.68 million.

During the year 2020, the Company used the ZATCA initiative program and paid the principal VAT amount of SAR 0.97 million under protest. Upon the payment, ZATCA waived the late payment penalties amounting to SAR 0.71 million.

During the year 2024, the Company submitted documents required by ZATCA for the years 2021 and 2022, for which results came during June 2024 claiming additional differences amounting to SAR 0.01 million which is settled by ZATCA against the credit balance of the Company.

Status of assessments for MetLife:

(merged in 2020, refer note 15)

Zakat and income tax:

The Company has submitted documents required by ZATCA for the years 2018 and 2019 for which results came with no differences for year 2018 and minor differences for year 2019 amounted to SAR 0.02 million. The outstanding amount is in progress to be settled.

Indirect tax (VAT):

The Company has received VAT assessment for the year 2020 and requirements were submitted to ZATCA after receiving the initial assessment, the Company paid SAR 0.1 million, and the case was closed.

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, 2024****14. ZAKAT, INCOME TAX AND VAT (CONTINUED)****(b) Provision for zakat and income tax**

Provision for zakat has been made at 2.5776% of the higher of approximate zakat base or adjusted net income and 2.5% on 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.

(c) Shareholding subject to zakat and income tax

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

	June 30, 2024	December 31, 2023
	(in %)	
Shareholding subject to zakat	89.32	89.32
Shareholding subject to income tax	10.68	10.68

15. SHARE CAPITAL

The authorized, issued and paid-up capital of the Company as at June 30, 2024 is amounted to SAR 850.6 million comprising of 85.06 million shares of SAR 10 each (December 31, 2023: SAR 850.6 million comprising of 85.06 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 Capital Market Authority had approved an increase in the Company's capital from SAR 400 million to SAR 440 million by issuing a bonus share for every ten shares owned by the shareholder. The capital was increased through retained earnings draw of 40 million Saudi Riyals. This increase was approved by the Capital Market Authority on Sha'ban 2, 1439H corresponding to April 18, 2018G. The Saudi Central Bank also approved this increase on Safar 9, 1439H, (corresponding to October 29, 2017G).

The Company's Board of Directors in their meeting held on April 8, 2019, corresponding to 3 Sha'ban 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 million to SAR 646.4 million 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 shares issued accordingly during 2020. The fair value of 11,839,706 shares of the Company was determined on the basis of closing market price of the Company'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. 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 million and SAR 73.169 million, respectively.

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, 2024****15. SHARE CAPITAL (CONTINUED)**

The shareholders in the EGM held on September 15, 2022 corresponding to 19 Safar 1444H approved the merger of SABB Takaful Company into the Company in accordance with the provisions of Articles 191, 192 and 193 of the Companies Law by issuing (0.6005476176470590) new shares in the Company against each share in SABB Takaful Company ("SABB Takaful") ("Merger Transaction"), in accordance with the terms and conditions of the merger agreement.

The purchase consideration was determined to be SAR 294 million which was settled by issuing 20,418,619 new shares of the Company to the shareholders of SABB Takaful at the Company's market price of SAR 14.4 per share at the effective date of merger.

The Board of Directors in their meeting held on September 17, 2023 (corresponding to 03 Rabi Al Awwal 1445H) recommended to increase share capital by offering right issue with an additional amount of SAR 425 million to support growth plan of the Company and maintain its solvency margin.

The Board of Directors after discussing the rights issue with the financial advisor, decided on February 25, 2024 (corresponding to 15/8/1445H) to amend its recommendation to the Extraordinary General Assembly regarding the increase of the Company's capital by offering of Rights Issue and change the offering amount to SAR 467.5 million instead of SAR 425 million, through offering a total of 42.5 million ordinary shares of a nominal value of SAR 10 per share, with an offer price of SAR 11 per share.

However, this is subject to relevant regulatory authorities' approvals in addition to Extraordinary General Assembly approval.

Shareholding structure of the Company is as below:

	June 30, 2024 (Unaudited)		
	Authorized and issued	Paid up	
	No. of Shares	SAR "000"	
Saudi British Bank	13,272,100	132,721	132,721
Others	71,786,225	717,862	717,862
Total	85,058,325	850,583	850,583
	December 31, 2023 (Audited)		
	Authorized and issued	Paid up	
	No. of Shares	SAR "000"	
Saudi British Bank	13,272,100	132,721	132,721
Others	71,786,225	717,862	717,862
Total	85,058,325	850,583	850,583

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, 2024****16. GROSS WRITTEN PREMIUM (GWP)**

Analysis of gross premium written is as follows:

	For the three-month period ended June 30, 2024 (Unaudited)					
	Corporate				Retail	Total
	Micro	Small	Medium	Large	Individual	
	SAR "000"					
Medical	12,745	8,036	43,232	39,679	23,065	126,757
Motor	864	3,378	5,925	24,261	56,202	90,630
Property	320	3,022	4,646	9,956	-	17,944
Energy	-	-	515	485,890	-	486,405
Engineering	768	748	26,305	30,580	-	58,401
P&S - non-linked	4,616	1,219	10,448	42,663	38	58,984
P&S - linked	-	-	-	-	18,299	18,299
P&C - others	792	4,257	17,777	57,624	5,246	85,696
Total	20,105	20,660	108,848	690,653	102,850	943,116

	For the three-month period ended June 30, 2023 (Unaudited)					
	Corporate				Retail	Total
	Micro	Small	Medium	Large	Individual	
	SAR "000"					
Medical	7,820	6,793	15,736	169,180	46,945	246,474
Motor	3,526	3,825	7,364	23,579	92,600	130,894
Property	10,657	3,684	4,371	9,234	-	27,946
Energy	-	-	-	480,180	-	480,180
Engineering	1,923	6,232	8,711	69,809	-	86,675
P&S - non-linked	16,903	273	482	31,138	-	48,796
P&S - linked	-	-	-	-	18,977	18,977
P&C - others	8,149	19,301	15,026	114,171	42,052	198,699
Total	48,978	40,108	51,690	897,291	200,574	1,238,641

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, 2024****16. GROSS WRITTEN PREMIUM (GWP) (CONTINUED)**

	For the six-month period ended June 30, 2024 (Unaudited)					
	Corporate				Retail	
	Micro	Small	Medium	Large	Individual	Total
	SAR "000"					
Medical	27,501	16,882	61,653	102,636	65,227	273,899
Motor	1,686	6,699	17,460	34,462	157,261	217,568
Property	529	4,057	12,658	26,433	-	43,677
Energy	-	1,204	989	508,418	-	510,611
Engineering	836	12,571	47,513	186,048	-	246,968
P&S - non-linked	4,831	1,229	14,135	88,466	37	108,698
P&S - linked	-	-	-	-	35,683	35,683
P&C - others	1,886	10,369	31,759	100,154	9,868	154,036
Total	37,269	53,011	186,167	1,046,617	268,076	1,591,140

	For the six-month period ended June 30, 2023 (Unaudited)					
	Corporate				Retail	
	Micro	Small	Medium	Large	Individual	Total
	SAR "000"					
Medical	16,600	14,305	27,887	243,207	68,030	370,029
Motor	5,084	7,443	13,959	39,477	169,476	235,439
Property	21,432	6,410	9,200	16,174	1	53,217
Energy	-	474	-	496,772	-	497,246
Engineering	3,543	8,277	15,731	101,748	-	129,299
P&S - non-linked	28,017	903	2,756	80,448	186	112,310
P&S - linked	-	-	-	-	42,183	42,183
P&C - others	12,600	27,313	31,112	144,104	50,473	265,602
Total	87,276	65,125	100,645	1,121,930	330,349	1,705,325

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, 2024
17. SUPPLEMENTARY INFORMATION

Interim condensed statement of financial position	June 30, 2024 (Unaudited)			December 31, 2023 (Audited)		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR "000"			SAR "000"		
Assets						
Cash and cash equivalents	204,689	10,072	214,761	503,905	8,506	512,411
Short term deposits	293,113	-	293,113	360,983	59,997	420,980
Accrued income on investments and deposits	18,775	7,678	26,453	15,691	5,026	20,717
Prepaid expenses and other assets	55,965	5,595	61,560	52,764	-	52,764
Insurance contract assets	25,300	-	25,300	-	-	-
Reinsurance contract assets	679,764	-	679,764	789,878	-	789,878
Financial assets for unit linked insurance contracts	544,474	-	544,474	543,235	-	543,235
Due from shareholders' operations	8,198	-	8,198	29,876	-	29,876
Statutory deposit	-	85,058	85,058	-	85,058	85,058
Accrued income on statutory deposit	-	6,916	6,916	-	4,347	4,347
Investments	139,189	1,130,437	1,269,626	138,914	972,706	1,111,620
Long term deposits	354,901	-	354,901	259,914	94,984	354,898
Property and equipment, net	36,780	37,193	73,973	19,084	16,400	35,484
Intangible assets	38,785	80,140	118,925	38,299	83,267	121,566
Goodwill	-	24,415	24,415	-	24,415	24,415
Total assets	2,399,933	1,387,504	3,787,437	2,752,543	1,354,706	4,107,249
Liabilities and equity						
Liabilities						
Insurance contract liabilities	2,162,816	-	2,162,816	2,554,671	-	2,554,671
Reinsurance contract liabilities	3,518	-	3,518	-	-	-
Accrued expenses and other liabilities	203,268	2,019	205,287	168,393	1,902	170,295
Accrued income payable to Insurance Authority	-	6,916	6,916	-	4,347	4,347
Due to insurance operations	-	8,198	8,198	-	29,876	29,876
Provision for zakat and income tax	-	33,772	33,772	-	46,283	46,283
Provision for end-of-service benefits (EOSB)	33,671	503	34,174	32,819	503	33,322
Total liabilities	2,403,273	51,408	2,454,681	2,755,883	82,911	2,838,794
Equity						
Share capital	-	850,583	850,583	-	850,583	850,583
Share premium	-	193,119	193,119	-	193,119	193,119
Statutory reserve	-	79,915	79,915	-	79,915	79,915
Fair value reserve for investments measured at fair value	-	81,827	81,827	-	81,827	81,827
Retained earnings	-	130,652	130,652	-	66,351	66,351
Total shareholders' equity	-	1,336,096	1,336,096	-	1,271,795	1,271,795
Remeasurement of EOSB	(3,340)	-	(3,340)	(3,340)	-	(3,340)
Total equity	(3,340)	1,336,096	1,332,756	(3,340)	1,271,795	1,268,455
Total liabilities and equity	2,399,933	1,387,504	3,787,437	2,752,543	1,354,706	4,107,249

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, 2024
17. SUPPLEMENTARY INFORMATION (CONTINUED)

Interim condensed statement of income for three-month period	June 30, 2024 (Unaudited)			June 30, 2023 (Unaudited)		
	Insurance operations	Share- holders' operations	Total	Insurance operations	Share- holders' operations	Total
	SAR "000"			SAR "000"		
Insurance revenue	796,176	-	796,176	705,187	-	705,187
Insurance service expenses	(478,655)	-	(478,655)	(425,228)	-	(425,228)
Insurance service results before reinsurance contracts held	317,521	-	317,521	279,959	-	279,959
Allocation of reinsurance premiums	(321,172)	-	(321,172)	(315,143)	-	(315,143)
Amounts recoverable from reinsurers for incurred claims	9,436	-	9,436	39,074	-	39,074
Net expenses from reinsurance contracts held	(311,736)	-	(311,736)	(276,069)	-	(276,069)
Insurance service results	5,785	-	5,785	3,890	-	3,890
Commission income on investments and deposits	12,256	6,226	18,482	7,603	3,269	10,872
Dividends on investments	-	5,839	5,839	-	3,631	3,631
Realized gain on investments measured at fair value	-	4,284	4,284	-	3,326	3,326
Unrealized gain on investments measured at fair value	-	8,366	8,366	2,335	26,297	28,632
Change in expected credit losses on financial assets	3	11	14	12	-	12
Net investment income	12,259	24,726	36,985	9,950	36,523	46,473
Finance expense from insurance contracts issued	(8,531)	-	(8,531)	(6,656)	-	(6,656)
Finance income from reinsurance contracts held	5,088	-	5,088	2,462	-	2,462
Net insurance finance expenses	(3,443)	-	(3,443)	(4,194)	-	(4,194)
Net insurance and investment results	14,601	24,726	39,327	9,646	36,523	46,169
Other income	758	-	758	1,286	-	1,286
Other operating expenses	(8,920)	(4,228)	(13,148)	(3,788)	(2,522)	(6,310)
Net income for the period before zakat & tax	6,439	20,498	26,937	7,144	34,001	41,145
Surplus transferred to shareholders	(6,439)	6,439	-	(7,144)	7,144	-
Net income after transfer of surplus to the shareholders before zakat & tax	-	26,937	26,937	-	41,145	41,145
Zakat & tax charge for the year	-	(2,500)	(2,500)	-	(2,500)	(2,500)
Net income after zakat & tax, attributable to the shareholders	-	24,437	24,437	-	38,645	38,645
Earnings per share (expressed in SAR per share)						
Basic and diluted earnings per share			<u>0.29</u>			<u>0.45</u>
Weighted average number of ordinary outstanding shares (in thousands)			<u>85,058</u>			<u>85,058</u>

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, 2024
17. SUPPLEMENTARY INFORMATION (CONTINUED)

Interim condensed statement of income for six-month period	June 30, 2024 (Unaudited)			June 30, 2023 (Unaudited)		
	Insurance operations	Share- holders'	Total	Insurance operations	Share- holders'	Total
		operations			operations	
	SAR "000"			SAR "000"		
Insurance revenue	1,563,249	-	1,563,249	1,364,824	-	1,364,824
Insurance service expenses	(994,678)	-	(994,678)	(782,180)	-	(782,180)
Insurance service results before reinsurance contracts held	568,571	-	568,571	582,644	-	582,644
Allocation of reinsurance premiums	(638,210)	-	(638,210)	(610,083)	-	(610,083)
Amounts recoverable from reinsurers for incurred claims	61,075	-	61,075	35,664	-	35,664
Net expenses from reinsurance contracts held	(577,135)	-	(577,135)	(574,419)	-	(574,419)
Insurance service results	(8,564)	-	(8,564)	8,225	-	8,225
Commission income on investments and deposits	26,387	13,203	39,590	13,372	8,374	21,746
Dividends on investments	-	9,513	9,513	-	7,288	7,288
Realized gain on investments measured at fair value	-	16,698	16,698	-	3,327	3,327
Unrealized gain on investments measured at fair value	-	15,537	15,537	2,335	41,579	43,914
Change in expected credit losses on financial assets	1	8	9	11	-	11
Net investment income	26,388	54,959	81,347	15,718	60,568	76,286
Finance expense from insurance contracts issued	(16,072)	-	(16,072)	(13,660)	-	(13,660)
Finance income from reinsurance contracts held	10,221	-	10,221	9,006	-	9,006
Net insurance finance expenses	(5,851)	-	(5,851)	(4,654)	-	(4,654)
Net insurance and investment results	11,973	54,959	66,932	19,289	60,568	79,857
Other income	1,465	20,308	21,773	2,420	-	2,420
Other operating expenses	(10,162)	(8,992)	(19,154)	(9,637)	(4,688)	(14,325)
Net income for the period before zakat & tax	3,276	66,275	69,551	12,072	55,880	67,952
Surplus transferred to shareholders	(3,276)	3,276	-	(12,072)	12,072	-
Net income after transfer of surplus to the shareholders before zakat & tax	-	69,551	69,551	-	67,952	67,952
Zakat & tax charge for the year	-	(5,250)	(5,250)	-	(5,000)	(5,000)
Net income after zakat & tax, attributable to the shareholders	-	64,301	64,301	-	62,952	62,952
Earnings per share (expressed in SAR per share)						
Basic and diluted earnings per share			<u>0.76</u>			<u>0.74</u>
Weighted average number of ordinary outstanding shares (in thousands)			<u>85,058</u>			<u>85,058</u>

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, 2024****17. SUPPLEMENTARY INFORMATION (CONTINUED)****Interim condensed statement of comprehensive income for three-month period**

	June 30, 2024 (Unaudited)			June 30, 2023 (Unaudited)		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR "000"			SAR "000"		
Net income for the period attributable to the shareholders	-	24,437	24,437	-	38,645	38,645
Other comprehensive income:						
<i>Items that will not be reclassified to the statement of income in subsequent periods</i>						
Net changes in fair value of investments measured at fair value through other comprehensive income (FVOCI)	-	-	-	-	-	-
Total comprehensive income for the period	-	24,437	24,437	-	38,645	38,645

Interim condensed statement of comprehensive income for six-month period

	June 30, 2024 (Unaudited)			June 30, 2023 (Unaudited)		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR "000"			SAR "000"		
Net income for the period attributable to the shareholders	-	64,301	64,301	-	62,952	62,952
Other comprehensive income:						
<i>Items that will not be reclassified to the statement of income in subsequent periods</i>						
Net changes in fair value of investments measured at FVOCI	-	-	-	-	-	-
Total comprehensive income for the period	-	64,301	64,301	-	62,952	62,952

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, 2024****17. SUPPLEMENTARY INFORMATION (CONTINUED)****Interim condensed statement of cash flows for six-month period**

	June 30, 2024 (Unaudited)			June 30, 2023 (Unaudited)		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR "000"			SAR "000"		
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the period before zakat and income tax	-	69,551	69,551	-	67,952	67,952
Adjustments for non-cash and non-operating items:						
Depreciation of property and equipment	6,411	-	6,411	3,949	-	3,949
Amortization of intangible assets	13,342	3,127	16,469	3,767	533	4,300
Commission income on investments and deposits	(26,387)	(13,203)	(39,590)	(13,372)	(8,374)	(21,746)
Dividends on investments	-	(9,513)	(9,513)	-	(7,288)	(7,288)
Realized gain on investments measured at fair value	-	(16,698)	(16,698)	-	(3,327)	(3,327)
Unrealized gain on investments measured at fair value	-	(15,537)	(15,537)	(2,335)	(41,579)	(43,914)
Change in expected credit losses on financial assets	(1)	(8)	(9)	(11)	-	(11)
Gains on disposal of property and equipment	-	(20,308)	(20,308)	-	-	-
Finance cost on lease assets	434	-	434	75	-	75
Provision for end-of-service benefits (EOSB)	3,045	-	3,045	2,574	-	2,574
Changes in operating assets and liabilities:						
Insurance contract assets	(25,300)	-	(25,300)	8,793	-	8,793
Insurance contract liabilities	(391,855)	-	(391,855)	(97,130)	-	(97,130)
Reinsurance contract assets	110,114	-	110,114	139,750	-	139,750
Reinsurance contract liabilities	3,518	-	3,518	(2,728)	-	(2,728)
Prepaid expenses and other assets	(3,187)	(5,597)	(8,784)	13,096	1,013	14,109
Accrued expenses and other liabilities	18,771	117	18,888	(9,918)	(2,374)	(12,292)
	(291,095)	(8,069)	(299,164)	46,510	6,556	53,066
End-of-service benefits paid	(2,193)	-	(2,193)	(1,107)	-	(1,107)
Zakat and income tax paid	-	(17,761)	(17,761)	-	(7,587)	(7,587)
Net cash (used in) / generated from operating activities	(293,288)	(25,830)	(319,118)	45,403	(1,031)	44,372

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, 2024
17. SUPPLEMENTARY INFORMATION (CONTINUED)
Interim condensed statement of cash flows for six-month period (Continued)

	June 30, 2024 (Unaudited)			June 30, 2023 (Unaudited)		
	Insurance operations	Share-holders' operations	Total	Insurance operations	Share-holders' operations	Total
	SAR "000"			SAR "000"		
CASH FLOWS FROM INVESTING ACTIVITIES						
Investments, net	-	(125,260)	(125,260)	(24,565)	9,844	(14,721)
Financial assets for unit linked insurance contracts, net	(1,239)	-	(1,239)	(36,531)	-	(36,531)
Commission income received on investments and deposits	23,027	10,311	33,338	6,872	13,224	20,096
Dividends received on investments	-	9,513	9,513	-	7,288	7,288
Disposals / (additions) of short term deposits	67,871	59,995	127,866	(10,000)	(44,999)	(54,999)
Disposals / (additions) of long term deposits	(95,000)	95,000	-	-	-	-
Movement in intangible assets, net	(13,828)	-	(13,828)	(438)	1,858	1,420
Movement in property and equipment, net	(2,835)	(485)	(3,320)	(7,181)	-	(7,181)
Net cash (used in) / generated from investing activities	(22,004)	49,074	27,070	(71,843)	(12,785)	(84,628)
CASH FLOWS FROM FINANCING ACTIVITIES						
Due from shareholders' operations/ (due to insurance operations)	21,678	(21,678)	-	26,536	(26,536)	-
Lease liability paid	(5,602)	-	(5,602)	(3,264)	-	(3,264)
Net cash used in financing activities	16,076	(21,678)	(5,602)	23,272	(26,536)	(3,264)
Net change in cash and cash equivalents	(299,216)	1,566	(297,650)	(3,168)	(40,352)	(43,520)
Cash and cash equivalents, beginning of the period	503,905	8,506	512,411	424,119	110,091	534,210
Cash and cash equivalents, end of the period	204,689	10,072	214,761	420,951	69,739	490,690

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, 2024

18. DIVIDEND

No dividend was proposed or paid during the period.

19. 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 dividend 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.

20. EARNING PER SHARE ("EPS")

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

21. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the change in the presentation methodology adopted by the company in the current period. However, there is no financial impact of these re-classifications on net income attributable to shareholders and equity.

22. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements have been approved by the Board of Directors on August 1, 2024, corresponding to Muharram 26, 1446H.