

244/2021  
07/07/2021  
27/11/1442

To the shareholders of  
Gulf Union Alahlia Cooperative Insurance Company  
(A Saudi Joint Stock Company)  
Dammam, Kingdom of Saudi Arabia

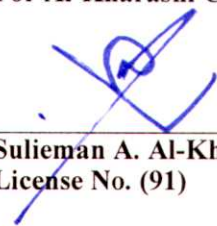
**Subject: Current Status of Accumulated Losses.**

The Company used the full balance of the share premium as at 31 March 2021 in accordance with the recommendation of the Board of Directors on 25 May 2021, which was approved by the Ordinary General Assembly in its first meeting on 29 June 2021 and the effect of using the entire share premium balance of the Company amounting to Saudi Riyals 89,488,445, with 100% ratio, and transferring it to absorb a part of the accumulated losses of the Company amounting to Saudi Riyals 117,338,700, which represents 51.13% of the share capital to become Saudi Riyals 27,850,255 (twenty-seven million, eight hundred and fifty thousand and two hundred and fifty-five Saudi Riyals only) which is 12.14% of the share capital as follows:

<u>Shareholder's Equity</u>	<u>Before Closing the Balance (Saudi Riyals)</u>	<u>After Using the Balance (Saudi Riyals)</u>	<u>Change (Saudi Riyals)</u>
Share Capital	229,474,640	229,474,640	-
Statutory reserve	4,885,691	4,885,691	-
Share premium	89,488,445	-	(89,488,445)
Accumulated losses	(117,338,700)	(27,850,255)	89,488,445
Remeasurement reserve of employee benefit obligations	(2,203,061)	(2,203,061)	-
Fair value reserve on investments	(11,865,894)	(11,865,894)	-
<b>Equity attributable to the Company's shareholders</b>	<b>216,172,909</b>	<b>216,172,909</b>	<b>-</b>

The accounting entry for closing share premium into accumulated losses was reviewed.

For Al-Kharashi Co.

  
Sulieman A. Al-Kharashi  
License No. (91)

