

Al Khaleej Takaful Insurance Company Q.P.S.C.
Condensed Consolidated Interim Financial Information
30 September 2024

Al Khaleej Takaful Insurance Company Q.P.S.C.

**Condensed Consolidated Interim Financial Information
30 September 2024**

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Independent auditors' report on review of condensed consolidated interim financial information

To the Shareholders of Al Khaleej Takaful Insurance Company Q.P.S.C.

Introduction

We have reviewed the accompanying 30 September 2024 condensed consolidated interim financial information of Al Khaleej Takaful Insurance Company Q.P.S.C. (the "Company") and its subsidiaries (together the "Group"), which includes:

- The condensed consolidated statement of financial position as at 30 September 2024;
- The condensed consolidated statement of policyholders' revenues and expenses for the three-month and nine-month periods ended 30 September 2024;
- The condensed consolidated statement of policyholders' surplus for the nine-month period ended 30 September 2024;
- The condensed consolidated statement of shareholders' income for the three-month and nine-month periods ended 30 September 2024;
- The condensed consolidated statement of shareholders' comprehensive income for the three-month and nine-month periods ended 30 September 2024;
- The condensed consolidated statement of changes in shareholders' equity for the nine-month period ended 30 September 2024;
- The condensed consolidated statement of cash flows for the nine-month period ended 30 September 2024; and
- Notes to the condensed consolidated interim financial information.

The Board of Directors is responsible for the preparation and presentation of these condensed consolidated interim financial information in accordance with FAS 41, "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed consolidated interim financial information 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". A review of interim financial information 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 Auditing Standards for Islamic Financial Institutions 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.



Independent auditors' report on review of condensed consolidated interim financial information (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2024 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting".

30 October 2024
Doha
State of Qatar

Yacoub Hobeika
Qatar Auditor's Registry Number 289
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License No. 120153



Al Khaleej Takaful Insurance Company Q.P.S.C.

**Condensed consolidated statement of financial position
As at 30 September 2024**

in Qatari Riyals

	Notes	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Policyholders' assets			
Cash and cash equivalents	6	43,810,889	24,763,022
Time deposits	6	50,000,000	40,950,000
Investment securities	8	16,036,031	16,059,689
Takaful balances receivable		63,263,647	48,211,553
Retakaful balances receivable		50,811,622	49,846,117
Retakaful contract assets	7	193,989,194	166,926,517
Deferred commission	7	11,366,283	10,666,396
Other receivables and prepayments		16,713,428	13,731,278
Investment properties	9	28,739,797	28,739,797
Total policyholders' assets		474,730,891	399,894,369
Shareholders' assets			
Cash and cash equivalents	6	77,005,830	49,085,784
Time deposits	6	123,749,901	128,750,000
Investment securities	8	191,907,300	158,559,655
Retakaful contract assets	7	398,721	398,721
Other receivables and prepayments		8,330,381	6,642,038
Right-of-use assets		27,275,573	27,927,902
Investment properties	9	207,143,666	205,859,103
Property and equipment	10	3,892,663	4,870,475
Investment in associate	11	10,720,767	57,624,756
Total shareholders' assets		650,424,802	639,718,434
Total policyholders' and shareholders' assets		1,125,155,693	1,039,612,803

The Condensed Consolidated Statement of Financial Position continues on next page.



The notes from pages 12 to 32 form an integral part of the condensed consolidated interim financial information.

Al Khaleej Takaful Insurance Company Q.P.S.C.

Condensed consolidated statement of financial position (continued)
As at 30 September 2024

in Qatari Riyals

	Notes	30 September 2024 (Reviewed)	31 December 2023 (Audited)
Policyholder's equity			
Retained surplus		28,072,781	28,103,677
Fair value reserve	15	6,603,427	6,491,796
Total policyholders' equity		34,676,208	34,595,473
Policyholder's liabilities			
Takaful contract liabilities	7	331,643,959	296,086,823
Deferred commission income	7	11,256,384	9,276,143
Accounts payable and other liabilities		15,746,316	26,817,344
Takaful balances payable		17,093,425	16,933,738
Retakaful balances payable		64,314,599	16,184,848
Total policyholders' liabilities		440,054,683	365,298,896
Total policyholders' equity and liabilities		474,730,891	399,894,369
Shareholders' liabilities			
Takaful contract liabilities	7	400,000	400,000
Ijarah liabilities		4,047,247	4,136,276
Accounts payable and other liabilities		21,347,857	30,076,386
Takaful balances payable		1,060,509	1,060,509
Provision for income tax		2,173	2,173
Employees' end of service benefits		7,419,071	6,669,094
Total shareholders' liabilities		34,276,857	42,344,438
Shareholders' equity			
Share capital	12	255,279,020	255,279,020
Legal reserve	13	255,279,020	255,279,020
General reserve	14	75,477	75,477
Fair value reserve	15	1,055,584	2,179,238
Real estate reserve		28,236,722	28,236,722
Reserve for share of associates		4,152,211	28,025,661
Retained earnings		72,069,911	28,298,858
Total shareholders' equity		616,147,945	597,373,996
Total shareholders' liabilities and equity		650,424,802	639,718,434
Total policyholders' and shareholders' liabilities and equity		1,125,155,693	1,039,612,803

This condensed consolidated interim financial information was approved by the Group's Board of Directors on 30 October 2024 and signed on their behalf by:



Sheikh Tamim Fahad Mohammed Jaber Al Thani
Managing Director



Abdulla Ali Al-Assiri
Chief Executive Officer

The notes from pages 12 to 32 form an integral part of the condensed consolidated interim financial information.

Al Khaleej Takaful Insurance Company Q.P.S.C.

**Condensed consolidated statement of policyholders' revenues and expenses
For the three-month and nine-month periods ended 30 September 2024**

in Qatari Riyals

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed) (Restated)	2024 (Reviewed)	2023 (Reviewed) (Restated)
Takaful revenues				
Gross contributions	110,297,350	71,058,833	373,039,141	256,336,699
Retakaful share of gross contributions	(53,058,887)	(31,584,210)	(209,027,225)	(112,462,095)
Net retained contributions	57,238,463	39,474,623	164,011,916	143,874,604
Movement in unearned contributions	(2,615,435)	6,521,631	(11,153,264)	(4,529,659)
Net earned contributions	54,623,028	45,996,254	152,858,652	139,344,945
Retakaful commission and other takaful income	5,099,994	5,286,204	21,137,205	24,777,872
Change in deferred commission	38,696	(1,322,236)	(1,280,354)	(1,599,728)
Total takaful revenue	59,761,718	49,960,222	172,715,503	162,523,089
Takaful expenses				
Gross claims paid	(40,984,369)	(52,474,858)	(120,804,943)	(128,883,539)
Retakaful share of claims paid	11,829,768	18,269,413	36,493,784	38,566,649
Net claims paid	(29,154,601)	(34,205,445)	(84,311,159)	(90,316,890)
Movement in outstanding claims	2,518,411	2,375,216	460,557	7,140,924
Movement in claims incurred but not reported reserves	2,917,943	294,648	2,198,248	148,162
Commission and other takaful expenses	(8,590,896)	(7,858,927)	(26,475,925)	(25,639,324)
Total takaful expenses	(32,309,143)	(39,394,508)	(108,128,279)	(108,667,128)
Net surplus from takaful operations	27,452,575	10,565,714	64,587,224	53,855,961
Income from deposits	918,434	650,527	2,642,887	1,850,585
Dividend income	-	-	882,220	834,770
Rental income	306,000	306,000	816,000	816,000
Other income	-	50	-	117,829
Total surplus	28,677,009	11,522,291	68,928,331	57,475,145
Other expenses				
Wakala fees	(21,095,236)	(15,457,795)	(62,145,190)	(57,270,718)
Other expenses	(1,260,394)	(1,198,284)	(3,734,674)	(3,553,103)
Mudarabah fees	(857,105)	(669,569)	(2,944,074)	(2,450,949)
Impairment loss on investments at fair value through other comprehensive income	-	(311,128)	(135,289)	(311,128)
Total other expenses	(23,212,735)	(17,636,776)	(68,959,227)	(63,585,898)
Surplus / (Deficit) of revenues over expenses	5,464,274	(6,114,485)	(30,896)	(6,110,753)

The notes from pages 12 to 32 form an integral part of the condensed consolidated interim financial information.

Al Khaleej Takaful Insurance Company Q.P.S.C.

Condensed consolidated statement of policyholders' surplus
For the nine-month period ended 30 September 2024

in Qatari Riyals

	For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed) (Restated)
Retained surplus balance at the beginning of the period	28,103,677	31,366,221
Deficit for the period	(30,896)	(6,110,753)
Retained surplus balance at the end of the period	28,072,781	25,255,468



The notes from pages 12 to 32 form an integral part of the condensed consolidated interim financial information.

Al Khaleej Takaful Insurance Company Q.P.S.C.

Condensed consolidated statement of shareholders' income
For the three-month and nine-month periods ended 30 September 2024

in Qatari Riyals

	Notes	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2024	2023	2024	2023
		(Reviewed)	(Reviewed) (Restated)	(Reviewed)	(Reviewed) (Restated)
Shareholders' revenues and expenses					
Claims paid		2,384	5,200	2,384	45,509
Re-insurance share of claims paid		-	-	-	-
Net claims paid		2,384	5,200	2,384	45,509
Movement in outstanding claims		-	-	-	-
Total insurance income		2,384	5,200	2,384	45,509
Surplus from insurance operations		2,384	5,200	2,384	45,509
Investments and other income					
Wakala fees		21,095,236	15,457,795	62,145,190	57,270,718
Mudarabah fees		857,105	669,569	2,944,074	2,450,949
Income from deposits & sukuks		2,427,719	1,979,831	7,083,726	5,474,020
Dividend income		1,512,167	1,189,196	4,658,749	4,867,077
Net realized gain on sale of investments		418,902	116,384	1,028,395	375,380
Share of result of associates		-	-	2,894,320	4,416,500
Gain / (loss) on disposal of property and equipment		-	128,220	-	128,220
Loss on sale of investment property		-	-	-	(49,470)
Rental income		2,915,190	2,971,340	8,881,770	9,238,970
Gain on sale of investment in associates		-	-	1,079,994	-
Other income		197,309	211,776	3,552,296	630,053
Total investment and other income		29,423,628	22,724,111	94,268,514	84,802,417
Expenses					
General and administrative expenses	16	(10,288,502)	(7,976,558)	(29,653,961)	(24,538,983)
Depreciation		(602,808)	(600,819)	(1,835,573)	(1,746,540)
Amortisation of deferred ijarah		(40,334)	(40,821)	(121,371)	(122,822)
Impairment loss on investments at fair value through other comprehensive income		(473,970)	(2,688,872)	(1,884,095)	(3,446,380)
Total expenses		(11,405,614)	(11,307,070)	(33,495,000)	(29,854,725)
Net income		18,020,398	11,422,241	60,775,898	54,993,201
Basic and diluted earnings per share (QR per share)	20	0.071	0.045	0.238	0.215

The notes from pages 12 to 32 form an integral part of the condensed consolidated interim financial information.

Al Khaleej Takaful Insurance Company Q.P.S.C.

Condensed consolidated statement of shareholders' comprehensive income
For the three-month and nine-month periods ended 30 September 2024

in Qatari Riyals

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed) (Restated)	2024 (Reviewed)	2023 (Reviewed) (Restated)
Net income	18,020,398	11,422,241	60,775,898	54,993,201
Other comprehensive income (OCI)				
<i>Items that may be subsequently classified to consolidated income statement</i>				
Fair value changes of equity-type investments classified as fair value through other comprehensive income	4,267,090	4,827,942	452,878	2,738,419
Net change in the share of other comprehensive income of investment in associates	-	-	(1,576,532)	(3,608,537)
Total other comprehensive loss for the period	4,267,090	4,827,942	(1,123,654)	(870,118)
Total comprehensive income for the period	22,287,488	16,250,183	59,652,244	54,123,083



The notes from pages 12 to 32 form an integral part of the condensed consolidated interim financial information.

Al Khaleej Takaful Insurance Company Q.P.S.C.

Condensed consolidated statement of changes in shareholders' equity
For the nine-month period ended 30 September 2024

in Qatari Riyals

	Share capital	Legal reserve	General reserve	Fair value reserve	Real estate reserve	Reserve for share of profits of associates	Retained earnings	Total
Balance at 1 January 2024 (Audited)	255,279,020	255,279,020	75,477	2,179,238	28,236,722	28,025,661	28,298,858	597,373,996
Net income for the period	-	-	-	-	-	-	60,775,898	60,775,898
Movement in fair value reserve	-	-	-	452,878	-	-	-	452,878
Movement in fair value reserve of Associate	-	-	-	(1,576,532)	-	-	-	(1,576,532)
Movement in reserve for share of profits of associates	-	-	-	-	-	(23,873,450)	13,628,655	(10,244,795)
Dividends (Note 21)	-	-	-	-	-	-	(30,633,500)	(30,633,500)
Balance as at 30 September 2024 (Reviewed)	255,279,020	255,279,020	75,477	1,055,584	28,236,722	4,152,211	72,069,911	616,147,945
Balance at 1 January 2023	255,279,020	251,598,182	75,477	(2,180,972)	30,193,722	19,024,059	3,548,998	557,538,486
Net income for the period (Restated)	-	-	-	-	-	-	54,993,201	54,993,201
Movement in fair value reserve	-	-	-	2,738,419	-	-	-	2,738,419
Movement in fair value reserve of Associate	-	-	-	(3,608,537)	-	-	-	(3,608,537)
Transfer to reserve for share of profits of associates	-	-	-	-	-	(2,215,712)	2,215,712	-
Dividends (Note 21)	-	-	-	-	-	-	(25,527,920)	(25,527,920)
Balance as at 30 September 2023 (Reviewed) (Restated) (Note 25)	255,279,020	251,598,182	75,477	(3,051,090)	30,193,722	16,808,347	35,229,991	586,133,649



The notes from pages 12 to 32 form an integral part of the condensed consolidated interim financial information.

Al Khaleej Takaful Insurance Company Q.P.S.C.

**Condensed consolidated statement of cash flows
For the nine-month period ended 30 September 2024**

in Qatari Riyals

Note	For the nine-month period ended 30 September	
	2024	2023
	(Reviewed)	(Reviewed) (Restated)
Cash flows from operating activities		
Net income for the period	60,775,898	54,993,201
Policyholders' deficit for the period	(30,896)	(6,110,753)
	<u>60,745,002</u>	<u>48,882,448</u>
<i>Adjustments for:</i>		
Depreciation of fixed assets and right-of-use assets	1,835,573	1,746,540
Amortisation of deferred ijarah cost	121,371	122,822
Income from deposits and sukuks	(9,726,613)	(7,324,605)
Dividend income	(5,540,969)	(5,701,847)
Rental income	(9,697,770)	(10,054,970)
(Gain) / loss on disposal of fixed assets	-	(128,220)
Net realized gain on sale of investments	(1,028,395)	(375,380)
Loss on sale of investment property	-	49,470
Share of results from associate	(2,894,320)	(4,416,500)
Provision for employees' end of service benefits	786,955	832,400
Impairment loss on investment at fair value through other comprehensive income	2,019,384	3,757,508
Gain on sale of investment in associates	(1,079,994)	-
Operating profit before working capital changes	35,540,224	27,389,666
<i>Changes in:</i>		
Takaful balances receivable	(15,052,094)	307,208
Retakaful balances receivable	(965,505)	861,477
Retakaful contract assets	(27,062,677)	(41,892,712)
Deferred commission	(699,887)	(4,039,867)
Other receivable and prepayments	(4,670,493)	878,795
Takaful contract liabilities	35,557,136	39,133,285
Deferred commission income	1,980,241	5,639,595
Accounts payable and other liabilities	(18,874,408)	(7,983,238)
Takaful balances payable	159,687	319,163
Retakaful balances payable	48,129,751	(7,530,949)
Cash generated from operating activities	54,041,975	13,082,423
Employees' end of service benefits paid	(36,978)	(84,977)
Income tax – paid	-	(103)
Net cash generated from operating activities	54,004,997	12,997,343
Cash flows from investing activities		
Additions of investment at fair value through other comprehensive income	(33,610,760)	(17,360,688)
Proceeds from disposal of investment at fair value through other comprehensive income	21,738,840	6,567,783
Additions of investment at fair value through income statement	(2,068,642)	(656,177)
Proceeds from disposal of investment at fair value through income statement	2,296,475	708,793
Net movement in sukuks at amortised cost	(22,106,380)	-
Acquisition of fixed assets	(205,432)	(1,316,353)
Proceeds from disposal of fixed assets	-	284,200
Income from deposits and sukuks received	9,726,613	7,324,605
Dividend income received	5,540,969	5,701,847
Dividend received from associates	10,014,423	6,632,212
Rental income	9,697,770	10,054,970
Net movement in term deposits	(4,049,901)	26,350,000
Additions in investment property	(1,284,563)	(22,100)
Proceeds from sale of investment property	-	1,485,000
Proceeds from sale of Investment in associates	29,042,553	-
Net cash generated from investing activities	24,731,965	45,754,092

The notes from pages 12 to 32 form an integral part of the condensed consolidated interim financial information.



Al Khaleej Takaful Insurance Company Q.P.S.C.

Condensed consolidated statement of cash flows (continued)
For the nine-month period ended 30 September 2024

in Qatari Riyals

	For the nine-month period ended 30 September	
	2024 (Reviewed)	2023 (Reviewed) (Restated)
Cash flows from financing activities		
Dividends paid to shareholders	(31,558,649)	(23,918,220)
Payment of ijarah liabilities	(210,400)	(424,220)
Net cash used in financing activities	(31,769,049)	(24,342,440)
Net increase in cash and cash equivalents	46,967,913	34,408,995
Cash and cash equivalents at 1 January	73,848,806	70,052,895
Cash and cash equivalents at 30 September	120,816,719	104,461,890



The notes from pages 12 to 32 form an integral part of the condensed consolidated interim financial information.

Al Khaleej Takaful Insurance Company Q.P.S.C.

Notes to the condensed consolidated interim financial information As at and for the nine-month period ended 30 September 2024

1. LEGAL STATUS AND ACTIVITIES

Al Khaleej Takaful Insurance Company Q.P.S.C. (the “Company”) (Formerly known as “Al Khaleej Takaful Group Q.P.S.C.”) is a Qatari shareholding company registered and incorporated in the State of Qatar under Emiri Decree No. 53 issued on 21 December 1978 and listed on Qatar Stock Exchange. The Company’s registered address is Grand Hamad Street, Doha 4555, Qatar. The Company and its subsidiaries (together referred to as the “Group”) are engaged in the business of Takaful and other investments.

Name of Subsidiary	Ownership	Country of incorporation	Principal Activities
Qatar Takaful Co. W.L.L *	100%	Qatar	Primarily engaged in activities in accordance with Islamic Shari'a principles on a non-usury basis in all areas of insurance.
Mithaq Investments W.L.L	100%	Qatar	Primarily engaged in investments.

*The subsidiary of the Group is in the process of liquidation in accordance with the Qatar Central Bank’s circular No. 2 of 2023.

This condensed consolidated interim financial information were authorized for issue in accordance with a resolution of the Board of Directors on 30 October 2024.

2. BASIS OF PREPARATION

a) Statement of compliance and preparation

The condensed consolidated interim financial information have been prepared in accordance with FAS 41, “Interim Financial Reporting) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (“AAOIFI”). In line with AAOIFI, for matters that are not covered by FAS, the Group uses the guidance from the relevant IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

The condensed consolidated interim financial information have been prepared under the historical cost basis except for certain financial instruments and investment properties which are measured at fair value, in accordance with the principal accounting policies as set out below.

The condensed consolidated interim financial information are presented in Qatari Riyals (“QR.”), which is the Group’s functional and presentational currency, and all values are rounded to the nearest QR.

The condensed consolidated interim financial information do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at December 31, 2023. In addition, results for the nine-month period ended September 30, 2024 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2024.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

2. BASIS OF PREPARATION (CONTINUED)

b) Significant accounting judgment, estimates and assumptions

The preparation of the condensed consolidated interim financial information in conformity with FAS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those applied to the annual consolidated financial statements as at 31 December 2023.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 31 December 2023, except as noted below:

During the period, the Company applied the following standard in preparation of these condensed consolidated interim financial information. The adoption of the below standard did not result in changes to previously reported net results or equity of the Company, but they may result in additional disclosures at year end:

i. FAS 1 (Revised 2021) - General Presentation and Disclosures in the Financial Statements

AAOIFI has issued revised FAS 1 in 2021. The revised FAS 1 supersedes the earlier FAS 1 General Presentation and Disclosures in the Financial Statements of Islamic Banks and Financial Institutions and introduces the concepts of quasi-equity, off-balance-sheet assets under management and other comprehensive income to enhance the information provided to the users of the financial statements.

The Group has adopted the standard and applied changes in certain presentation and disclosures in condensed consolidated interim financial information for the period. The adoption of this standard did not have any significant impact on recognition and measurement on this condensed consolidated interim financial information.

New standards, amendments and interpretations issued but not yet effective

The Group has not yet applied the following new and revised FASs that have been issued but are not yet effective:

i. FAS 42 - Presentation and Disclosures in the Financial Statements of Takaful Institutions

AAOIFI has issued FAS 42 in December 2022 which superseded FAS 12 "General Presentation and Disclosures in the Financial Statements of Islamic Insurance Companies". The new standard should be read in conjunction with the amended FAS 1 "General Presentation and Disclosures in the Financial Statements" and below FAS 43 "Accounting for Takaful: Recognition and Measurement". The objective of this standard is to set out the overall requirements for the presentation of financial statements, the minimum requirement for the contents of and disclosures in the financial statements and a recommended structure of financial statements that facilitates fair presentation in line with Shari'a principles and rules for takaful institutions. This standard shall be effective for the financial periods beginning on or after 1 January 2025 with early adoption permitted if adopted alongside FAS 43, provided that FAS 1 "General Presentation and Disclosures in the Financial Statements" has already been adopted or simultaneously adopted. The Group is currently evaluating the impact of the above standard.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ii. FAS 43 – Accounting for Takaful: Recognition and Measurement

AAOIFI has issued FAS 43 in December 2022 which should be read in conjunction with the above FAS 42 "Presentation and Disclosures in the Financial Statements of Takaful Institutions". The objective of this standard is to set out the principles for the recognition and measurement of takaful arrangements and ancillary transactions with the objective of faithfully representing the information related to these arrangements to the relevant stakeholders. This standard shall be effective for the financial periods beginning on or after 1 January 2025 with early adoption permitted if adopted alongside FAS 42. The Group is currently evaluating the impact of the above standard.

4. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements as at and for the year ended December 31, 2023.

5. SHARI'A SUPERVISORY BOARD

The Group's business activities are subject to the supervision of a shari'a committee appointed by the Shareholders. The shari'a Supervisory Board performs a supervisory role in order to determine whether the operations of the Group are conducted in accordance with Shari'a rules and principles.

6. CASH AND BANK BALANCES

For the purpose of the condensed consolidated interim statement of cash flows, cash and cash equivalents comprise the following balances with original maturities of less than three months.

Cash and cash equivalents at the end of the reporting period as shown in the condensed consolidated interim statement of cash flows can be reconciled to the related items in the condensed consolidated interim statement of financial position as follows:

	30 September 2024	31 December 2023
	(Reviewed)	(Audited)
Policyholders		
Cash in hand	1,267,612	619,460
Investment deposits (Islamic banks)* (1)	50,000,000	40,950,000
Call accounts (Islamic banks) (2)	42,156,305	22,920,583
Current accounts (3)	386,972	1,222,979
Total	93,810,889	65,713,022
Shareholders		
Cash in hand	1,000	1,000
Investment deposits (Islamic banks)* (1)	123,749,901	128,750,000
Call accounts (Islamic banks) (2)	14,551,711	3,355,577
Current accounts (3)	62,453,119	45,729,207
Total	200,755,731	177,835,784
Total cash and bank balances	294,566,620	243,548,806
Less: deposits with original maturity of more than three months	(173,749,901)	(169,700,000)
Total cash and cash equivalents	120,816,719	73,848,806

(1) Investment deposits earn profit at rates ranging from 5.50% to 6.15% (31 December 2023: 2.65% to 5.80%).

(2) Call accounts earn profit at rates ranging from 0.25% to 0.75% (31 December 2023: 0.25% to 0.75%).

(3) Included in current accounts non-Islamic bank accounts used for the policyholder's contributions paid by credit cards.

*Investment deposits include deposit kept in Islamic Banks which is due to be matured in September 2025.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the Qatar Central Bank. Accordingly, the management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Group have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

7. RETAKAFUL CONTRACT ASSETS AND TAKAFUL CONTRACT LIABILITIES

	30 September 2024		31 December 2023	
	(Reviewed)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Gross takaful contract liabilities				
Claims reported unsettled	112,593,766	400,000	116,905,750	400,000
Claims incurred but not reported and other technical reserves	32,621,085	-	46,008,730	-
Unearned contributions and mathematical reserves	186,429,108	-	133,172,343	-
Deferred commissions	11,256,384	-	9,276,143	-
Total	342,900,343	400,000	305,362,966	400,000
Retakaful share of takaful liabilities				
Claims reported unsettled	84,832,038	398,721	88,683,465	398,721
Claims incurred but not reported and other technical reserves	15,630,932	-	26,820,329	-
Unearned contributions and mathematical reserves	93,526,224	-	51,422,723	-
Deferred commissions	11,366,283	-	10,666,396	-
Total	205,355,477	398,721	177,592,913	398,721
Net takaful liabilities				
Claims reported unsettled	27,761,728	1,279	28,222,285	1,279
Claims incurred but not reported and other technical reserves	16,990,153	-	19,188,401	-
Unearned contributions and mathematical reserves	92,902,884	-	81,749,620	-
Deferred commissions	(109,899)	-	(1,390,253)	-
Total	137,544,866	1,279	127,770,053	1,279

Al Khaleej Takaful Insurance Company Q.P.S.C.

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7. RETAKAFUL CONTRACT ASSETS AND TAKAFUL CONTRACT LIABILITIES (CONTINUED)

7.1 Movement in Retakaful Contract Assets and Takaful Contract Liabilities

30 September 2024
(Reviewed)

	Policyholders			Shareholders		
	Gross takaful liabilities	Retakaful contract assets	Net	Gross takaful liabilities	Retakaful contract assets	Net
At January 1						
Reported claims	116,905,750	88,683,465	28,222,285	400,000	398,721	1,279
Unearned contributions and mathematical reserves	133,172,343	51,422,723	81,749,620	-	-	-
IBNR and other technical reserves	46,008,730	26,820,329	19,188,401	-	-	-
Total	296,086,823	166,926,517	129,160,306	400,000	398,721	1,279
<i>Movement during the period</i>						
Reported claims	(4,311,984)	(3,851,427)	(460,557)	-	-	-
Unearned contributions and mathematical reserves	53,256,765	42,103,501	11,153,264	-	-	-
IBNR and other technical reserves	(13,387,645)	(11,189,397)	(2,198,248)	-	-	-
Total	35,557,136	27,062,677	8,494,459	-	-	-
Balances at 30 September 2024						
Reported claims	112,593,766	84,832,038	27,761,728	400,000	398,721	1,279
Unearned contributions and mathematical reserves	186,429,108	93,526,224	92,902,884	-	-	-
IBNR and other technical reserves	32,621,085	15,630,932	16,990,153	-	-	-
Total	331,643,959	193,989,194	137,654,765	400,000	398,721	1,279

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7. RETAKAFUL CONTRACT ASSETS AND TAKAFUL CONTRACT LIABILITIES (CONTINUED)

7.1 Movement in Retakaful Contract Assets and Takaful Contract Liabilities (continued)

31 December 2023

(Audited)

	Policyholders			Shareholders		
	Gross takaful liabilities	Retakaful contract assets	Net	Gross takaful liabilities	Retakaful contract assets	Net
At January 1						
Reported claims	96,297,747	58,361,845	37,935,902	400,000	398,721	1,279
Unearned contributions and mathematical reserves	126,654,051	45,782,101	80,871,950	-	-	-
IBNR and other technical reserves	47,002,630	27,221,788	19,780,842	-	-	-
Total	<u>269,954,428</u>	<u>131,365,734</u>	<u>138,588,694</u>	<u>400,000</u>	<u>398,721</u>	<u>1,279</u>
<i>Movement during the year</i>						
Reported claims	20,608,003	30,321,620	(9,713,617)	-	-	-
Unearned contributions and mathematical reserves	6,518,292	5,640,622	877,670	-	-	-
IBNR and other technical reserves	(993,900)	(401,459)	(592,441)	-	-	-
Total	<u>26,132,395</u>	<u>35,560,783</u>	<u>(9,428,388)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances at 31 December 2023						
Reported claims	116,905,750	88,683,465	28,222,285	400,000	398,721	1,279
Unearned contributions and mathematical reserves	133,172,343	51,422,723	81,749,620	-	-	-
IBNR and other technical reserves	46,008,730	26,820,329	19,188,401	-	-	-
Total	<u>296,086,823</u>	<u>166,926,517</u>	<u>129,160,306</u>	<u>400,000</u>	<u>398,721</u>	<u>1,279</u>

8. INVESTMENTS SECURITIES

	30 September 2024 (Reviewed)		31 December 2023 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Investments at amortised cost				
Quoted debt investments				
State of Qatar Sukuk	-	27,139,903	-	8,582,591
Foreign Sukuk	-	30,246,829	-	26,697,761
Total investments at amortised cost (1)	-	57,386,732	-	35,280,352
Investments at fair value through other comprehensive income				
Quoted equity investments (i)				
Local equity shares*	15,571,334	69,862,470	15,559,183	59,974,168
Foreign equity shares	464,697	929,395	500,506	1,001,013
Other equity investment	-	37,681,563	-	36,256,982
Total (a)	16,036,031	108,473,428	16,059,689	97,232,163
Unquoted equity investments (ii)				
Local equity shares	-	18,747,140	-	18,747,140
Foreign equity shares	-	-	-	-
Total (b)	-	18,747,140	-	18,747,140
Total investments at fair value through other comprehensive income (a+b) (2)	16,036,031	127,220,568	16,059,689	115,979,303
Investments at fair value through income statement				
Investments (iii) (3)	-	7,300,000	-	7,300,000
Total investment securities (1+2+3)	16,036,031	191,907,300	16,059,689	158,559,655

(i) The quoted investments constitute mainly securities listed in Qatar Stock Exchange.

(ii) The unquoted investments represent investments in companies in which the Group is a founding shareholder.

(iii) Investments at fair value through income statement represents investment funds managed by Q-Invest SQN income fund and has stated interest rate of 7% per annum (2023 :7% per annum) and is due to be mature in March 2025.

*Investments in equity includes shareholders quoted investment amounting to QR 2,062,500 that is frozen and therefore not immediately disposable.

8. INVESTMENTS SECURITIES (CONTINUED)

8.1 The movement in investments at amortised cost is as follows:

	30 September 2024		31 December 2023	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at 1 January	-	35,280,352	-	-
Accrued income	-	338,515	-	-
Addition during the year	-	21,767,865	-	35,280,352
Balance at end of period / year	-	57,386,732	-	35,280,352

The management of the Group estimates the loss allowance on investments at amortised cost with at the end of the reporting period at an amount equal to 12-month ECL. None of the investments at amortised at the end of the reporting period are past due and taking into account the historical default experience and the current credit ratings of the issuers, the management of the Group have assessed that there is no impairment, and hence have not recorded any loss allowances on these investments.

8.2 The movement in investments at fair value through other comprehensive income is as follows:

	30 September 2024		31 December 2023	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at 1 January	16,059,689	115,979,303	17,205,614	102,445,939
Additions	-	33,610,760	-	23,183,562
Disposals	-	(20,938,278)	-	(11,729,175)
Impairment	(135,289)	(1,884,095)	(1,042,128)	(5,830,467)
Changes in fair value	111,631	452,878	(103,797)	7,909,444
Balance at end of period / year	16,036,031	127,220,568	16,059,689	115,979,303

8.3 The movement in investments at fair value through income statement is as follows:

	30 September 2024		31 December 2023	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at 1 January	-	7,300,000	-	7,300,000
Additions	-	2,068,642	-	656,177
Disposals	-	(2,068,642)	-	(656,177)
Balance at end of period / year	-	7,300,000	-	7,300,000

Note 1:

Investments at amortised cost, investments at fair value through other comprehensive income and investments at fair value through income statement are presented in the consolidated statement of financial position as follows:

	30 September 2024		31 December 2023	
	Policyholders	Shareholders	Policyholders	Shareholders
Investments securities	16,036,031	191,907,300	16,059,689	158,559,655

9. INVESTMENT PROPERTIES

Investment properties comprise investment in lands and buildings acquired to earn rental income and for capital appreciation from such properties.

	30 September 2024		31 December 2023	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at 1 January	28,739,797	205,859,103	28,448,600	211,478,476
Addition	-	1,284,563	-	22,100
Disposal	-	-	-	(1,534,470)
Changes in fair value	-	-	291,197	(4,107,003)
Balance at 30 September / 31 December	28,739,797	207,143,666	28,739,797	205,859,103

As at 30 September 2024, the fair value of the Group's investment properties has been arrived on the basis of a valuation carried out as at 31 December 2023 by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties.

The fair value represents the amount at which the assets could be exchanged between knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction at the date of the valuation. The estimated fair value of the above investment properties as at 30 September 2024 amounted to QR 235.88 million (31 December 2023: QR 234.59 million), and the management believes that the fair value as at 30 September 2024 does not materially differ from the fair value on 31 December 2023 had the fair valuation been carried out on that date.

- (i) The Group has no restriction on the realizability of its investment properties and has no contractual liabilities either to purchase, construct or develop investment.
- (ii) Valuation model that are recommended by the International Valuation Standards Committee has been applied. The valuer used the market comparable approach for land and the depreciated replacement cost approach for commercial, residential and industrial properties.

10. PROPERTY AND EQUIPMENT

a) Policyholders	Computer	Total
Cost:		
Balance as at 1 January 2023 / 31 December 2023 / 30 September 2024	2,777,628	2,777,628
Accumulated Depreciation:		
Balance as at 1 January 2023 / 31 December 2023 / 30 September 2024	2,777,628	2,777,628
Balance as at 1 January 2023 / 31 December 2023 / 30 September 2024	-	-

10. PROPERTY AND EQUIPMENT (CONTINUED)

b) Shareholders	Computer and equipment	Furniture and fixtures	Motor vehicle	Total
Cost:				
Balance at 1 January 2023	10,187,650	10,255,287	503,000	20,945,937
Additions during the year	855,051	940,698	568,000	2,363,749
Disposals during the year	-	-	(470,000)	(470,000)
Balance at 31 December 2023 (Audited)	11,042,701	11,195,985	601,000	22,839,686
Additions during the period	179,583	25,849	-	205,432
Disposals during the period	-	-	-	-
Balance at 30 September 2024 (Reviewed)	11,222,284	11,221,834	601,000	23,045,118
Accumulated Depreciation:				
Balance at 1 January 2023	6,782,895	9,731,032	275,715	16,789,642
Depreciation for the year	873,260	475,325	145,004	1,493,589
Disposals during the year	-	-	(314,020)	(314,020)
Balance at 31 December 2023 (Audited)	7,656,155	10,206,357	106,699	17,969,211
Depreciation for the period	717,209	378,795	87,240	1,183,244
Disposals during the period	-	-	-	-
Balance at 30 September 2024 (Reviewed)	8,373,364	10,585,152	193,939	19,152,455
Carrying amounts				
Balance at 31 December 2023 (Audited)	3,386,546	989,628	494,301	4,870,475
Balance at 30 September 2024 (Reviewed)	2,848,920	636,682	407,061	3,892,663

11. INVESTMENT IN ASSOCIATES

The Group has two investments in associates, Qatari Unified Bureau Insurance W.L.L and Bahrain National Life Assurance Company B.S.C. Qatari Unified Bureau Insurance W.L.L incorporated in Qatar, in which the Group has 25% of the interest. It is principally engaged in takaful. Qatari Unified Bureau Insurance W.L.L is not publicly listed. Bahrain National Life Assurance Company B.S.C. is incorporated in Bahrain, in which the Group had 25% of the interest. It is principally engaged in insurance business. During the current period, management has sold the 25% equity interest in Bahrain National Life Assurance Company B.S.C. for BHD 3,000,000 which is equivalent to QAR 29,042,553.

Name of Associate	Principal Activity	Country of incorporation	2024	2023
Qatari Unified Bureau Insurance W.L.L.	Takaful Insurance	Qatar	25%	25%
Bahrain National Life Assurance Company B.S.C.	Insurance	Kingdom of Bahrain	-	25%

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11. INVESTMENT IN ASSOCIATES (CONTINUED)

	30 September 2024	31 December 2023
	(Reviewed)	(Audited)
Balance as at 1 January	57,624,756	52,172,388
Share of profit for the period / year	2,894,320	15,633,815
Dividends received during the period / year	(10,014,423)	(6,632,213)
Disposal of The Bahrain National Life Assurance Company B.S.C.	(38,207,354)	-
Movement in fair value reserve	(1,576,532)	(3,549,234)
At 30 September 24 / 31 December 2023	10,720,767	57,624,756

12. SHARE CAPITAL

	30 September 2024	31 December 2023
	(Reviewed)	(Audited)
<i>Authorized, issued and paid-up capital</i>		
Share capital of QR 1 each (QR)	255,279,020	255,279,020
Number of shares of QR 1 each	255,279,020	255,279,020

13. LEGAL RESERVE

Legal reserve is computed in accordance with the provisions of the Qatar Central Bank (QCB) regulations, Qatar Commercial Companies' Law and the company's Articles of Association at 10% of the net profit for the year. This reserve is to be maintained until it equates 100% of the paid-up capital and is not available for distribution except in circumstances specified in the Qatar Central Bank (QCB) regulations and Qatar Commercial Companies Law. The transfer for the period 2024 will be done at year end.

14. GENERAL RESERVE

As per the articles of association of the company, the directors may create a general reserve in shareholders equity to meet the contribution deficiency that may arise. During the current and comparative years, there was no transfer to the general reserve.

15. FAIR VALUE RESERVES

Fair value reserves comprise of cumulative net change in the fair value of equity securities designated the fair value through equity. Change in fair value reserve from investments at fair value through equity:

	30 September 2024		31 December 2023	
	Policyholders	Shareholders	Policyholders	Shareholders
Quoted investments				
At 1 January	6,491,796	543,403	6,595,593	(7,366,041)
Net movement during the period / year				
Disposal of investments	-	(7,264)	-	274,677
Fair value change during the period / year	111,631	460,142	(103,797)	7,634,767
At 30 September /31 December (1)	6,603,427	996,281	6,491,796	543,403
Unquoted investments				
At 1 January	-	-	-	-
Net movement	-	-	-	-
At 30 September 31 December (2)	-	-	-	-
Investment in Associates				
At 1 January	-	1,635,835	-	5,185,069
Movement in fair value reserve of associate	-	(1,576,532)	-	(3,549,234)
At 30 September /31 December (3)	-	59,303	-	1,635,835
At 30 September /31 December (1+2+3)	6,603,427	1,055,584	6,491,796	2,179,238

16. GENERAL AND ADMINISTRATION EXPENSES

	30 September 2024	30 September 2023
	(Reviewed)	(Reviewed)
Staff costs	20,043,251	18,252,289
Governmental expenses	576,303	546,815
Repair and maintenance	728,287	767,560
Investment properties operating expenses	1,427,409	901,928
Marketing and advertising	1,530,922	835,458
Professional fees	2,488,504	1,074,021
Electricity and water and postal expenses	899,176	769,987
Refreshment and stationery	318,810	307,561
Shari'a supervisory board fee	150,000	150,000
Bank charges	489,474	256,710
Miscellaneous	1,001,825	676,654
	29,653,961	24,538,983

17. INCOME TAX EXPENSES

Based on the New Executive Regulations to the Income Tax Law (No.24 of 2018), subsidiaries and companies owned by listed entities shall now be taxable to the extent of non-Qatari shareholding in the listed company.

Since the Group has investment in subsidiaries and other companies and are therefore taxable during the current year. Tax is charged at a rate of 10% of the taxable income to the extent of non-Qatari shareholding. The management of the Group have assessed that the amount of income tax expenses is not material, hence have not recorded any expenses in this condensed consolidated interim financial information.

18. RELATED PARTIES

(a) Related party transactions

These represent transaction with related parties. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions and directors of the Company and companies of which they are key management personnel. Pricing policies and terms of these transactions are approved by the Group's management and are negotiated under normal commercial terms. Significant transactions during the period were:

	30 September 2024		30 September 2023	
	(Reviewed)		(Reviewed)	
	Contributions	Claims	Contributions	Claims
Board of Directors	2,501,763	10,883	56,781	-

(b) Compensation of key management personnel:

	30 September 2024	30 September 2023
	(Reviewed)	(Reviewed)
Salaries and other short-term benefits	3,287,795	3,106,069
Employees' end of service benefit for the period	40,637	40,489
	3,328,432	3,146,558

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19. SEGMENT REPORTING

(a) Net underwriting results (Policyholders' and Shareholders')

	Marine & Aviation	Fire & General accident	Motor	Takaful & Medical	Total
<i>For the period ended September 30, 2024 (Reviewed):</i>					
Gross contributions	12,700,664	75,243,870	86,279,781	198,814,826	373,039,141
Retakaful share of gross contributions	(9,233,372)	(60,960,441)	(4,976,196)	(133,857,216)	(209,027,225)
Retained contributions	3,467,292	14,283,429	81,303,585	64,957,610	164,011,916
Movement in unearned contributions	(421,854)	(1,766,709)	946,734	(9,911,435)	(11,153,264)
Net retained contributions	3,045,438	12,516,720	82,250,319	55,046,175	152,858,652
Retakaful commission and other takaful income	1,569,013	16,698,030	2,151,431	718,731	21,137,205
Change in deferred commission	(86,066)	(1,722,558)	(456,835)	985,105	(1,280,354)
Total insurance revenue (1)	4,528,385	27,492,192	83,944,915	56,750,011	172,715,503
Gross claims paid	(1,300,231)	(13,968,521)	(40,268,592)	(65,265,215)	(120,802,559)
Retakaful share of claims paid	815,383	12,135,870	1,476,559	22,065,972	36,493,784
Net claims	(484,848)	(1,832,651)	(38,792,033)	(43,199,243)	(84,308,775)
Movement in outstanding claims	(360,504)	(998,072)	1,846,552	(27,419)	460,557
Movement in claims incurred but not reported reserves	300,978	804,826	(711,739)	1,804,183	2,198,248
Net claims incurred (2)	(544,374)	(2,025,897)	(37,657,220)	(41,422,479)	(81,649,970)
Commission and other takaful expenses (3)	(754,031)	(4,754,830)	(14,810,547)	(6,156,517)	(26,475,925)
Net surplus from insurance operations (1+2+3)	3,229,980	20,711,465	31,477,148	9,171,015	64,589,608

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19. SEGMENT REPORTING (CONTINUED)

(a) Net underwriting results (Policyholders' and Shareholders') (continued)

	Marine & Aviation	Fire & General accident	Motor	Takaful and Medical	Total
<i>For the period ended September 30, 2023</i>					
<i>(Reviewed):</i>					
Gross contributions	13,407,377	77,480,040	79,455,795	85,993,487	256,336,699
Retakaful share of gross contributions	<u>(10,981,477)</u>	<u>(63,793,419)</u>	<u>(5,056,403)</u>	<u>(32,630,796)</u>	<u>(112,462,095)</u>
Retained contributions	2,425,900	13,686,621	74,399,392	53,362,691	143,874,604
Movement in unearned contributions	<u>(642,625)</u>	<u>(3,000,763)</u>	445,139	<u>(1,331,410)</u>	<u>(4,529,659)</u>
Net retained contributions	1,783,275	10,685,858	74,844,531	52,031,281	139,344,945
Retakaful commission and other takaful income	1,998,936	20,031,982	2,092,625	654,329	24,777,872
Change in deferred commission	<u>(311,471)</u>	<u>(4,233,991)</u>	1,550,750	1,394,984	<u>(1,599,728)</u>
Total insurance revenue (1)	<u>3,470,740</u>	<u>26,483,849</u>	<u>78,487,906</u>	<u>54,080,594</u>	<u>162,523,089</u>
Gross claims paid	(719,744)	(16,085,439)	(45,780,170)	(66,252,677)	(128,838,030)
Retakaful share of claims paid	<u>652,053</u>	<u>13,899,012</u>	<u>1,391,732</u>	<u>22,623,852</u>	<u>38,566,649</u>
Net claims	(67,691)	(2,186,427)	(44,388,438)	(43,628,825)	(90,271,381)
Movement in outstanding claims	(60,110)	270,024	7,644,101	(713,091)	7,140,924
Movement in claims incurred but not reported reserves	<u>(46,829)</u>	<u>(437,392)</u>	452,653	179,730	<u>148,162</u>
Net claims incurred (2)	<u>(174,630)</u>	<u>(2,353,795)</u>	<u>(36,291,684)</u>	<u>(44,162,186)</u>	<u>(82,982,295)</u>
Commission and other takaful expenses (3)	(691,194)	(3,853,119)	(13,435,257)	(7,659,754)	(25,639,324)
Net surplus from insurance operations (1+2+3)	<u>2,604,916</u>	<u>20,276,935</u>	<u>28,760,965</u>	<u>2,258,654</u>	<u>53,901,470</u>

19. SEGMENT REPORTING (CONTINUED)

(b) Business segments

The Group's main business segment (Policyholders' and Shareholders') are as follows:

For the period ended September 30, 2024:

	<u>Underwriting</u>	<u>Investments</u>	<u>Real Estate</u>	<u>Unallocated</u>	<u>Total</u>
Net income	64,589,608	18,250,907	8,924,070	(31,019,583)	60,745,002
Total assets	413,640,356	218,664,098	263,159,036	229,692,203	1,125,155,693
Total liabilities	425,768,876	-	4,047,247	44,515,417	474,331,540

For the period ended September 30, 2023 / year ended 31 December 2023:

	<u>Underwriting</u>	<u>Investments</u>	<u>Real Estate</u>	<u>Unallocated</u>	<u>Total</u>
Net income (Restated)	53,901,470	14,060,824	9,230,350	(28,310,196)	48,882,448
Total assets	341,762,326	232,244,100	262,526,802	203,079,575	1,039,612,803
Total liabilities	339,942,061	-	4,136,276	63,564,997	407,643,334

(c) Geographical segments

The Group operates in the State of Qatar only.

20. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the profit for the period attributable to shareholders by the weighted average number of ordinary shares outstanding during the period.

	<u>For the three-month period ended September</u>		<u>For the nine-month period ended September</u>	
	<u>2024</u> (Reviewed)	2023 (Reviewed) (Restated)	<u>2024</u> (Reviewed)	2023 (Reviewed) (Restated)
Profit attributable to shareholders	18,020,398	11,422,241	60,775,898	54,993,201
Weighted average number of ordinary shares*	255,279,020	255,279,020	255,279,020	255,279,020
Basic earnings per share (QR)	0.071	0.045	0.238	0.215

*There were no potentially dilutive shares outstanding at any time during the period. Therefore, the diluted earnings per share are equal to the basic earnings per share.

21. DIVIDEND DECLARED AND PAID

The General Assembly has approved in their meeting dated 17 March 2024 to distribute cash dividends of QR 0.12 per share amounting to QR 30,633,500 for the financial year ended 31 December 2023.

The General Assembly has approved in their meeting dated 15 March 2023 to distribute cash dividends of QR 0.1 per share amounting to QR 25,527,920 for the financial year ended 31 December 2022.

22. MUDARABAH AND WAKALA FEES

Mudarabah fees are calculated at a rate of 70% (2023: 70%) of the net income received on the investments of the policyholders. The actual rate for each year is determined by the Shari'a Supervisory Board after co-ordination with the Group's Board of Directors.

The Wakala fee is provided to shareholders at the rate of 26% (2023: 26%) of gross written contribution (excluding 100% gross written contribution from fronting business) as approved by the Shari'a supervisory board in their meeting dated 10 March 2022.

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group's financial assets (cash and bank balances, time deposits, investments at fair value through equity, investments at fair value through income statement, takaful balances receivable and other receivables and prepayments) and financial liabilities (distributable surplus, bank overdraft, and accounts payable and other liabilities) are measured at amortised cost and not at fair value. Management believes that the carrying values of these financial assets and financial liabilities as at the reporting date are a reasonable approximation of their fair values.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
- Level 3: Techniques that use inputs that have a significant effect on the recorded fair values are not based on observable market data.

Al Khaleej Takaful Insurance Company Q.P.S.C.

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in Qatari Riyals

23. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classification and fair values

As at 30 September 2024 (reviewed):

	Carrying Value			Fair Value			
	Fair value through equity	Amortised cost	Financial liabilities	Total carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value							
Policyholders							
Investments at fair value through other comprehensive income	16,036,031	-	-	16,036,031	16,036,031		
Financial assets not measured at fair value							
Bank balances and time deposits	-	93,810,889	-	93,810,889			
Takaful balances receivable	-	63,263,647	-	63,263,647			
Retakaful balances receivable	-	50,811,622	-	50,811,622			
Other receivables and prepayments	-	16,713,428	-	16,713,428			
Financial liabilities not measured at fair value							
Takaful payable balance	-	-	(17,093,425)	(17,093,425)			
Retakaful payable balance	-	-	(64,314,599)	(64,314,599)			
Accounts payable and other liabilities	-	-	(15,746,316)	(15,746,316)			
Financial assets measured at fair value							
Shareholders							
Investments at fair value through other comprehensive income	127,220,568	-	-	127,220,568	108,473,428		18,747,140
Investments at fair value through income statement	7,300,000	-	-	7,300,000		7,300,000	
Financial assets not measured at fair value							
Bank balances and time deposits	-	200,755,731	-	200,755,731			
Other receivables and prepayments	-	8,330,381	-	8,330,381			
Investment in sukuk at amortised costs	-	57,386,732	-	57,386,732			
Financial liabilities not measured at fair value							
Takaful payable balance	-	-	(1,060,509)	(1,060,509)			
Accounts payable and other liabilities	-	-	(21,347,857)	(21,347,857)			
Employees' end of service benefits	-	-	(7,419,071)	(7,419,071)			
	150,556,599	491,072,430	(126,981,777)	514,647,252			

Al Khaleej Takaful Insurance Company Q.P.S.C.

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23. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Accounting classification and fair values (continued)

As at 31 December 2023 (Audited):

	Carrying Value				Fair Value		
	Fair value through equity	Amortised cost	Financial liabilities	Total carrying amount	Level 1	Level 2	Level 3
Assets measured at fair value							
Policyholders							
Investments at fair value through equity	16,059,689	-	-	16,059,689	16,059,689		
Assets not measured at fair value							
Bank balances and time deposits	-	65,713,022	-	65,713,022			
Takaful balances receivable	-	48,211,553	-	48,211,553			
Retakaful balances receivable	-	49,846,117	-	49,846,117			
Other receivables and prepayments	-	13,731,278	-	13,731,278			
Liabilities not measured at fair value							
Takaful balances payable	-	-	(16,933,738)	(16,933,738)			
Retakaful balances payable	-	-	(16,184,848)	(16,184,848)			
Accounts payable and other liabilities	-	-	(26,817,344)	(26,817,344)			
Assets measured at fair value							
Shareholders							
Investments at fair value through equity	115,979,303	-	-	115,979,303	97,232,163		18,747,140
Investments at fair value through income statement	7,300,000	-	-	7,300,000		7,300,000	
Assets not measured at fair value							
Bank balances and time deposits	-	177,835,784	-	177,835,784			
Other receivables and prepayments	-	6,642,038	-	6,642,038			
Investment in sukuk at amortised costs	-	35,280,352	-	35,280,352			
Liabilities not measured at fair value							
Takaful balances payable	-	-	(1,060,509)	(1,060,509)			
Accounts payable and other liabilities	-	-	(30,076,386)	(30,076,386)			
Employees' end of service benefits	-	-	(6,669,094)	(6,669,094)			
	<u>139,338,992</u>	<u>397,260,144</u>	<u>(97,741,919)</u>	<u>438,857,217</u>			

During the period ended 30 September 2024 and year ended 31 December 2023, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

**Notes to the condensed consolidated interim financial information
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23. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The reconciliation of Level 3 is as follows:

	Policyholder		Shareholder	
	30 September 2024 (Reviewed)	31 December 2023 (Audited)	30 September 2024 (Reviewed)	31 December 2023 (Audited)
At the beginning of the period / year	-	-	18,747,140	18,747,140
Fair value losses during the period / year	-	-	-	-
Redemption during the period / year	-	-	-	-
At the ending of the period / year	-	-	18,747,140	18,747,140

24. RECLASSIFICATION OF COMPARATIVE AMOUNTS

Certain comparative figures have been reclassified to conform to the presentation in the current year's condensed consolidated interim financial information. However, such reclassifications did not have any effect on the net profit and equity of the comparative years.

25. RESTATEMENT OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The comparative figures for the nine-month period ended 30 September 2023 have been restated due to the following:

Management decided to change the measurement method of its investment properties and apply the fair value model effective on 1 January 2023. Previously, the Group measured its investment properties using the cost model. The change in the accounting policy has been applied retrospectively. The effects of the restatement to the condensed consolidated statement of policyholders' revenues and expenses and the condensed consolidated income statement are summarised below:

Effect on the condensed consolidated statement of policyholders' revenue and expenses:

	As previously reported for nine- month period ended 30 September 2023	Adjustments	As restated for nine-month period ended 30 September 2023
Depreciation	(652,587)	652,587	-

Effect on the condensed consolidated income statement:

	As previously reported for nine- month period ended 30 September 2023	Adjustments	As restated for nine-month period ended 30 September
Net realized gain on sale of investment property	331,036	(331,036)	-
Loss on sale of investment property		(49,470)	(49,470)
Depreciation	(4,532,517)	2,785,977	(1,746,540)