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**Wethaq Takaful Insurance Company (K.S.C.P)**  
**and its Subsidiaries and its subsidiaries**  
**State of Kuwait**

**Interim condensed consolidated financial information (Unaudited)**  
**and review report for the nine months period ended 30 September 2024**

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**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries  
State of Kuwait**

**Interim condensed consolidated financial information (Unaudited) and review report**  
*For the nine months period ended 30 September 2024*

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## **Report on review of interim condensed consolidated financial information**

### **The Board of Directors**

### **Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries State of Kuwait**

#### ***Introduction***

We have reviewed the accompanying interim condensed consolidated statement of financial position of Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries ("the Parent Company") and its subsidiaries (together referred to as "the Group") as at 30 September 2024 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine months period then ended.

The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of preparation disclosed in note no. (2). Our responsibility is to express a conclusion on this interim condensed consolidated 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 International Standards on Auditing 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 consolidated financial information is not prepared, in all material respects, in accordance with the basis of preparation disclosed in note no. (2).

#### ***Other Matters***

The consolidated financial statements of the Group for the financial year ended 31 December 2023 audited by another auditor who expressed an unqualified opinion on those consolidated financial statements on 28 March 2024.

The interim condensed consolidated financial information (unaudited) also reviewed by another auditor who expressed an unqualified opinion on those consolidated financial statements on 14 November 2023.

#### ***Material Uncertainty related to Going Concern***

This does not affect our opinion referred to herein above. In accordance with ISA 570, we draw attention to Note 18 of the interim condensed consolidated financial information is in consistent with the books of the Parent Company incurred accumulated losses of KD 6,788,846 as at 30 September 2024 (KD 6,829,836 as at 31 December 2023). These events or conditions indicate that material uncertainty exists that may cast significant doubts on the Company's ability to continue as a going concern, which depends on the Company achieving profits and enhancing its cash flows in the future.



*Report on review of other legal and regulatory requirements*

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the accounting records of the Parent Company. We further report that nothing has come to our attention indicating any contravention during the nine months period ended 30 September 2024, of the Companies Law No. 1 of 2016 and its Executive Regulations, as amended, or of the provisions of Law No. 7 of year 2010 concerning the Capital Markets Authority, Executive Regulations and its related regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, that would materially affect the Group's activities or its consolidated financial position.

13 November 2024  
Kuwait



Handwritten signature of Ali Mohammed Kouhari

Ali Mohammed Kouhari  
Licence No.156-A  
Member of PrimeGlobal

**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries**  
**State of Kuwait**

**Interim condensed consolidated statement of financial position (Unaudited)**

*As at 30 September 2024*

	Notes	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2023 (Unaudited)
<b>Assets</b>				
Property and equipment		64,767	65,082	65,416
Investment properties	4	2,879,865	2,879,865	2,853,938
Financial assets at fair value through other comprehensive income	5	888,083	761,296	769,740
Debtors and other debit balances		28,298	17,420	19,807
Amount due from policyholders	6	49,256	109,208	69,923
Financial assets at fair value through profit or loss	8	307,024	257,523	248,616
Investment deposits		32,784	32,286	52,000
Cash and cash equivalents		105,193	94,818	85,386
<b>Total assets</b>		<b>4,355,270</b>	<b>4,217,498</b>	<b>4,164,826</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		11,025,000	11,025,000	11,025,000
Treasury shares		(50,489)	(50,489)	(50,489)
Treasury shares reserve		3,508	3,508	3,508
Statutory reserve		388,139	388,139	388,139
Fair value reserve		(386,653)	(513,440)	(504,996)
Foreign currency translation reserve		(18,551)	(18,154)	(17,974)
Employees' stock option plan reserve		65,964	65,964	65,964
Accumulated losses		(6,788,846)	(6,829,836)	(6,875,111)
<b>Total equity</b>		<b>4,238,072</b>	<b>4,070,692</b>	<b>4,034,041</b>
<b>Liabilities</b>				
Creditors and other credit balances		117,198	146,806	130,785
<b>Total liabilities</b>		<b>117,198</b>	<b>146,806</b>	<b>130,785</b>
<b>Total equity and liabilities</b>		<b>4,355,270</b>	<b>4,217,498</b>	<b>4,164,826</b>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

  
**Nasser Enad Faisal Alenzi**  
Chairman

  
**Hussam Ammar**  
Vice Chairman

**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries**  
**State of Kuwait**

**Interim condensed consolidated statement of profit or loss (Unaudited)**  
*For the nine months period ended 30 September 2024*

	Notes	For the three months period ended		For the nine months period ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Revenue</b>					
Lease income		10,812	12,523	52,846	56,560
Income from investment deposits		133	276	398	1,824
Change in fair value of financial assets at fair value through profit or loss		21,537	(6,116)	49,501	(13,574)
Cash dividend income		7,780	9,547	7,780	18,480
Management fees from policyholders		(10,520)	-	-	-
Other income		4,703	14,073	13,641	14,073
<b>Total revenue</b>		<b>34,445</b>	<b>30,303</b>	<b>124,166</b>	<b>77,363</b>
<b>Expenses</b>					
General and administrative expenses		16,085	11,431	81,689	32,785
<b>Total expenses</b>		<b>(16,085)</b>	<b>(11,431)</b>	<b>(81,689)</b>	<b>(32,785)</b>
<b>Profit before contribution to KFAS, NLST and Zakat</b>		<b>18,360</b>	<b>18,872</b>	<b>42,477</b>	<b>44,578</b>
NLST		(459)	(130)	(1,062)	(1,114)
Zakat		(184)	(52)	(425)	(446)
<b>Profit for the period</b>		<b>17,717</b>	<b>18,690</b>	<b>40,990</b>	<b>43,018</b>
<b>Basic and diluted earnings per share (Fils)</b>	14	<b>0.16</b>	<b>0.17</b>	<b>0.37</b>	<b>0.39</b>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries  
State of Kuwait**

**Interim condensed consolidated statement of comprehensive income (Unaudited)**  
*For the nine months period ended 30 September 2024*

	For the three months period ended		For the nine months period ended	
	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)
Profit for the period	<u>17,717</u>	<u>18,690</u>	<u>40,990</u>	<u>43,018</u>
<b>Other comprehensive income:</b>				
<i>Items that will not be subsequently reclassified to consolidated statement of profit or loss:</i>				
Change in fair value of financial assets at fair value through other comprehensive income	78,144	(47,354)	126,787	(79,782)
<i>Items that may be subsequently reclassified to consolidated statement of profit or loss:</i>				
Exchange differences arising from translation of foreign operations	-	-	(397)	(10,874)
<b>Other comprehensive income for the period</b>	<u>78,144</u>	<u>(47,354)</u>	<u>126,390</u>	<u>(90,656)</u>
<b>Total other comprehensive income for the period</b>	<u>95,861</u>	<u>(28,664)</u>	<u>167,380</u>	<u>(47,638)</u>

The accompanying notes form an integral part of these interim condensed consolidated financial information.



**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries  
State of Kuwait**

**Interim condensed consolidated statement of changes in equity (Unaudited)  
for the nine months period ended 30 September 2024**

	Share capital	Treasury shares	Treasury shares reserve	Statutory reserve	Fair value reserve	Foreion currency translation reserve	Employees' stock option plan reserve	Accumulated losses	Total equity
Balance at 1 January 2023	11,025,000	(50,489)	3,508	388,139	(425,214)	(7,100)	65,964	(6,918,129)	4,081,679
Profit for the period	-	-	-	-	-	-	-	43,018	43,018
Other comprehensive income for the period	-	-	-	-	(79,782)	(10,874)	-	-	(90,656)
Total comprehensive income for the period	-	-	-	-	(79,782)	(10,874)	-	-	(47,638)
<b>Balance at 30 September 2023</b>	<b>11,025,000</b>	<b>(50,489)</b>	<b>3,508</b>	<b>388,139</b>	<b>(504,996)</b>	<b>(17,974)</b>	<b>65,964</b>	<b>(6,875,111)</b>	<b>4,034,041</b>
Balance at 1 January 2024	11,025,000	(50,489)	3,508	388,139	(513,440)	(18,154)	65,964	(6,829,836)	4,070,692
Profit for the period	-	-	-	-	-	-	-	40,990	40,990
Other comprehensive income for the period	-	-	-	-	126,787	(397)	-	-	126,390
Total comprehensive income for the period	-	-	-	-	126,787	(397)	-	40,990	167,380
<b>Balance at 30 September 2024</b>	<b>11,025,000</b>	<b>(50,489)</b>	<b>3,508</b>	<b>388,139</b>	<b>(386,653)</b>	<b>(18,551)</b>	<b>65,964</b>	<b>(6,788,846)</b>	<b>4,238,072</b>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries  
State of Kuwait**

**Interim condensed consolidated statement of cash flows (Unaudited)**

*For the nine months period ended 30 September 2024*

	Notes	For the nine months period ended 30 September 2024 (Unaudited)	30 September 2023 (Unaudited)
<b>Cash flows from operating activities</b>			
Profit for the period		40,990	43,018
<b>Adjustments:</b>			
Change in fair value financial assets at fair value through profit or loss		(49,501)	13,574
Cash dividend income		(7,780)	(18,480)
Income from investment deposits		(398)	(1,824)
<b>Operating loss before changes in working capital</b>		<b>(16,689)</b>	<b>36,288</b>
<b>Changes in working capital</b>			
Debtors and other debit balances		(10,878)	(9,045)
Amount due from policyholders		59,952	(33,688)
Creditors and other credit balances		(29,608)	(13,578)
<b>Net cash from (used in) operating activities</b>		<b>2,777</b>	<b>(20,023)</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of financial assets at fair value through other comprehensive income		-	11,080
Purchase of property and equipment		(397)	-
Sale of property and equipment		315	-
Proceeds from cash dividend		7,780	18,480
Income from investment deposits		398	1,824
Investment deposits		(498)	30,915
<b>Net cash from investing activities</b>		<b>7,598</b>	<b>62,299</b>
<b>Increase in cash and cash equivalents</b>		<b>10,375</b>	<b>42,276</b>
Cash and cash equivalents at beginning of the period		94,818	43,110
<b>Cash and cash equivalent at the end of the period</b>		<b>105,193</b>	<b>85,386</b>

The accompanying notes form an integral part of these interim condensed consolidated financial information.

**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries  
State of Kuwait**

**Notes to the interim condensed consolidated financial information (Unaudited)**

*For the nine months period ended 30 September 2024*

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**1. Incorporation and activities**

Wethaq Takaful Insurance Company - a Kuwaiti public shareholding company was established under Articles of Association No. 3656, Volume 1, dated 31 July 2000. It operates in accordance with the provisions of Law No. 125 of 2019 regarding the regulation of insurance under the Insurance Regulatory Unit Resolution No. 24 of 2022 licensing the companies that regularized their status according to the law and its executive regulations, as amended. Commercial Register No. 82421 dated 11 September 2004. The parent company's shares are listed on Bourse Kuwait on 20 December 2004.

On 28 August 2019, the new Insurance Law No. 125 of 2019 was issued. Such law is effective from 1 September 2019 and supersedes Law No. 24 of 1961.

The executive regulations of Law No. 125 of 2019 regarding the regulation of insurance were issued on 11 March 2021. Pursuant to article No. 2 of the executive regulations, insurance companies shall have a one-year grace period starting from the date of issuance of the executive regulations to implement this law.

The purposes for which the company was established are to as follows:

First: To practice all Takaful and cooperative insurance activities except for life insurance and what is similar to it and what is related to it and compensation and investment of capital and property.

Second: To practice Takaful and cooperative insurance on other risks that are not explicitly stipulated in the articles of association and bylaws and in a manner that does not conflict with the provisions of Islamic Sharia and the organizing laws.

Third: To reinsure or obtain a guarantee against all or any of the risks and to carry out all types of reinsurance or insurance against any of the company's activities.

In order to achieve its purposes and pursuant to its bylaws, the company has the authority to carry out the following actions and transactions as the Board of Directors deems necessary:

A- To own and acquire the right to dispose of all that it deems necessary for it from movable and immovable assets or any part thereof or any privileges that the company believes are necessary and appropriate to the nature of its work and necessary to develop its funds.

B- Conduct all transactions, conclude all contracts and carry out all legal actions that it deems necessary and appropriate to achieve and facilitate its purposes under the conditions it deems appropriate.

C- To buy, sell, mortgage, lease, exchange, possess or display in any way any lands, real estate, securities, bonds, shares or any other movable or real estate assets. And to sell, lease, mortgage or dispose of all types of actions in all or some of the company's movable or real estate assets or properties.

D- Provide consultations and conduct technical studies in the field of insurance or reinsurance for companies or others that are directly interested in working in the field of Islamic insurance or reinsurance.

E- Work as an appraiser and valuer in the field of insurance and as an agent for insurance or reinsurance companies to perform all works that do not conflict with Islamic law after obtaining the necessary licenses.

F- To invest all or some of the company's movable or real estate assets in the various fields that it deems appropriate and in a manner that does not conflict with the laws and organizing decisions.

H- To merge with it, establish or participate in establishing companies, subscribe to their shares, sell company shares and support them in any way that is consistent with the company's purposes in accordance with the laws.

G- Exploit the company's financial surpluses by investing them in financial portfolios managed by specialized companies and entities.

The company shall directly carry out the aforementioned activities in the State of Kuwait and abroad, either as an original or by proxy. The company may have an interest or participate in any way with entities that carry out activities similar to its activities and that help it achieve its objectives in Kuwait or abroad. It may establish, participate in, or purchase such entities or affiliate them with it.

**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries  
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**Notes to the interim condensed consolidated financial information (Unaudited)**

*For the nine months period ended 30 September 2024*

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Takaful insurance is an Islamic alternative to traditional trust and investment programs, based on the concept of mutual funds, whereby each policyholder receives his share of the surplus resulting from insurance activities in accordance with the parent company's articles of association and the approval of the Fatwa and Sharia Supervision Board.

The parent company carries out its business on behalf of the policyholders and provides funds to the policyholders' operations as and when needed.

The shareholders are responsible for the obligations incurred by the policyholders in the event of a deficit in the policyholders' funds and the liquidation of the operations.

The parent company holds all the assets of the policyholders and the shareholders' operations and the ownership documents of those assets.

These assets and liabilities as well as the results of the policyholders' operations are disclosed in the notes.

The parent company maintains separate accounting books for the policyholders and the shareholders. Revenues and expenses directly related to the activities of either are recorded in the accounts that pertain to them. The management and members of the board of directors determine the basis on which expenses from joint operations are distributed.

All insurance and investment operations are conducted in accordance with the principles of the tolerant Islamic Sharia, which are approved by the Fatwa and Sharia Supervisory Board.

The address of the Parent Company's registered office is Kuwait – Sharq - Khaled Bin Al Waleed Street - City Tower – Ground Floor.

The interim condensed consolidated financial information for the nine-month period ended 30 September 2024 was authorized for issue by the Board of Directors of the Parent Company on 13 November 2024.

The company is a subsidiary of Investment Dar Company K.S.C.C.

**2. Basis of preparation**

The interim condensed consolidated financial information is prepared in accordance with IAS 34 *"Interim Financial Reporting"*. The interim condensed consolidated financial information does not include all of the information and footnotes required for complete financial statements prepared in accordance with International Financial Reporting Standards. For further information, refer to the consolidated financial statements and notes thereto for the year ended 31 December 2023. In the opinion of the management all adjustments (consisting of recurring accruals) have been included in the interim condensed consolidated financial information.

The operating results for the nine month period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the year ending 31 December 2024.

The interim condensed consolidated financial information have been presented in Kuwaiti Dinars, which is the functional currency of the Group.

The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2023. Certain amendments and interpretations apply for the first time on 1 January 2024, but do not have an impact on the interim condensed consolidated financial information of the Group.

**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries  
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**Notes to the interim condensed consolidated financial information (Unaudited)**

*For the nine months period ended 30 September 2024*

**3. Use of estimates and judgments**

The preparation of interim condensed consolidated financial information in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on management's knowledge of events and actions, actual results differ from those estimates.

Estimates and assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the review and future periods if the revision affects both current and future periods.

Investment properties

The Group's management determined the fair value of investment properties using internal studies. This requires the management to assess different factors to arrive at best estimate of the property value.

**4. Investment properties**

The movement in investment property is as follows:

	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2023 (Audited)</b>	<b>30 September 2023 (Unaudited)</b>
Beginning of the period / year	2,879,865	2,853,938	2,853,938
Change in fair value	-	25,927	-
Ending of the period / year	<u>2,879,865</u>	<u>2,879,865</u>	<u>2,853,938</u>

The investment property in Egypt amounting KD 2,798,193 as at 30 September 2024 (KD 2,798,193 as at 31 December 2023).

The above investment properties include a right of use of hotel apartments in Zamzam Tower in Holly Makkah – the Kingdom of Saudi Arabia amounting to KD 81,672 as at 30 September 2024 (KD 81,672 as at 31 December 2023).

**5. Financial assets at fair value through other comprehensive income**

	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2023 (Audited)</b>	<b>30 September 2023 (Unaudited)</b>
Local quoted securities	562,241	418,089	426,533
Local unquoted securities *	25,944	39,278	39,278
Managed portfolios	219,840	223,871	223,871
Managed funds	80,058	80,058	80,058
	<u>888,083</u>	<u>761,296</u>	<u>769,740</u>

\* The parent company's management is currently updating the fair value inputs for the local unquoted securities and it is expected to finalize the valuation during the current year.

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**Notes to the interim condensed consolidated financial information (Unaudited)**

*For the nine months period ended 30 September 2024*

**6. Amount due from policyholders**

	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2023 (Audited)</b>	<b>30 September 2023 (Unaudited)</b>
Beginning of the period / year	7,146,438	7,073,465	7,073,465
Disposals	(7,073,465)	-	-
Net movement	(23,717)	72,973	33,688
	49,256	7,146,438	7,107,153
Expected credit loss	-	(7,037,230)	(7,037,230)
Ending of the period / year	49,256	109,208	69,923

Amount due from the policyholders represents net movement in the policyholders' account for the net funds transfers from and to their account in addition to the management fees from the policyholders and advances funds to the policyholders' operations as and when required. The parent company's management had decided to reduce the management fees charged to the policyholders from 20% of gross premiums to 20% of net profit of the policyholders to settlement of the above due balances and also settle the Qard Hassan in such away that ensure continuity of the Takaful insurance activity for the policyholders.

On the date of the company's general assembly meeting on 05/22/2024, it was approved to exempt the policyholders from paying amount due to the shareholders as at 31 December 2022 amounting to 7,073,465 KD. Which was previously formed as a provision for expected credit losses of 7,037,230 KD and during the period of 36,235 KD.

Movements in expected credit loss provisions are as follows:

	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2023 (Audited)</b>	<b>30 September 2023 (Unaudited)</b>
Beginning of the period / year	7,037,230	7,037,230	7,037,230
Addition during the period / year	36,235	-	-
Disposals of the period / year	(7,073,465)	-	-
Ending of the period / year	-	7,037,230	7,037,230

**7. Qard Hassan to Policyholders' fund**

	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2023 (Audited)</b>	<b>30 September 2023 (Unaudited)</b>
Gross amount	-	1,625,611	1,625,611
Less : impairment	-	(1,625,611)	(1,625,611)
Ending of the period / year	-	-	-

On the date of the company's general assembly meeting on 05/22/2024, it was approved to exempt the policyholders from paying the Qard Hassan 1,625,611 KD as at 31 December 2022. Which was previously provided for in full by an impairment provision.

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*For the nine months period ended 30 September 2024*

Movements in impairment are as follows:

	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2023 (Audited)</b>	<b>30 September 2023 (Unaudited)</b>
Beginning of the period / year	<b>1,625,611</b>	1,625,611	1,625,611
Addition during the period / year	-	-	-
Disposals of the period / year	<b>(1,625,611)</b>	-	-
Ending of the period / year	<b>-</b>	<b>1,625,611</b>	<b>1,625,611</b>

**8. Financial assets at fair value through profit or loss**

	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2023 (Audited)</b>	<b>30 September 2023 (Unaudited)</b>
Local quoted securities	<b>307,024</b>	257,523	248,616
	<b>307,024</b>	<b>257,523</b>	<b>248,616</b>

**9. Consolidated policyholders' results**

	<b>For the nine months period ended</b>	
	<b>30 September 2024 (Unaudited)</b>	<b>30 September 2023 (Unaudited)</b>
<b>Revenues</b>		
Insurance revenues	<b>2,883,774</b>	2,245,898
Insurance services expenses	<b>(1,304,194)</b>	(1,392,313)
Net expenses of reinsurance contracts	<b>(1,750,583)</b>	(981,055)
<b>Results of insurance services</b>	<b>(171,003)</b>	(127,470)
Income / expenses of financing from issued insurance contracts	<b>4,486</b>	33,266
Expenses / income of financing from held reinsurance contracts	<b>(1,275)</b>	(26,117)
<b>Net results of insurance financing</b>	<b>3,211</b>	7,149
<b>Net deficit of insurance services</b>	<b>(167,792)</b>	(120,321)
Other revenues	<b>45,700</b>	34,821
<b>Net deficit from Takaful insurance operations</b>	<b>(122,092)</b>	(85,500)
lease income	<b>20,970</b>	24,089
lease related expenses	<b>(39,906)</b>	(36,490)
<b>Net results of other activities</b>	<b>(18,936)</b>	(12,401)
<b>Net deficit</b>	<b>(141,028)</b>	(97,901)

**Wethaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries**  
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**10. Statement of policyholders' assets, liabilities and fund**

	30 September 2024 (Unaudited)	31 December 2023 (Audited)	30 September 2023 (Unaudited)	31 December 2022 (Audited)
<b>Assets</b>				
Cash and cash equivalents	939,979	80,417	93,144	137,418
Investment deposits	1,159,492	1,159,492	1,159,492	1,159,492
Debtors and other debit balances	1,217,000	815,240	686,616	588,854
Financial assets at fair value through other comprehensive income	95,331	111,638	113,218	114,877
Goodwill	409,766	409,766	409,766	409,766
Assets of held reinsurance contracts	2,714,237	3,698,644	2,091,001	1,851,424
Assets of held insurance contracts	-	-	221,331	-
Property and equipment	3,377	3,520	3,216	15,712
<b>Total assets</b>	<b>6,539,182</b>	<b>6,278,717</b>	<b>4,777,784</b>	<b>4,277,543</b>
<b>Liabilities and policyholders' fund</b>				
<b>Liabilities</b>				
liabilities of issued insurance contracts	2,571,450	1,776,834	2,048,471	1,376,097
End of service benefits	257,046	361,861	345,610	311,419
Creditors and other credit balances	3,224,893	3,377,731	1,834,590	1,986,710
Amount due to shareholders *	49,256	7,146,438	7,107,152	7,073,465
Qard Hassan from shareholders *	-	1,625,611	1,625,611	1,625,611
<b>Total liabilities</b>	<b>6,102,645</b>	<b>14,288,475</b>	<b>12,961,434</b>	<b>12,373,302</b>
<b>Policyholders' fund</b>				
Policyholders' rights *	744,810	(7,929,958)	(7,917,899)	(8,203,958)
Provision for insurance and reinsurance contracts	(5,960)	(5,960)	(5,960)	(5,960)
Fair value reserve	(161,285)	(163,470)	(161,890)	(160,231)
Net (deficit) / surplus of policyholders	(141,028)	112,037	(97,901)	339,693
Management fees due to shareholders	-	(22,407)	-	(65,303)
<b>Total policyholders' fund as at the end of the period / year</b>	<b>436,537</b>	<b>(8,009,758)</b>	<b>(8,183,650)</b>	<b>(8,095,759)</b>
<b>Total liabilities and policyholders' fund</b>	<b>6,539,182</b>	<b>6,278,717</b>	<b>4,777,784</b>	<b>4,277,543</b>

\* On the date of the company's general assembly meeting on 05/22/2024, it was approved to exempt the policyholders from paying the Qard Hassan and amount due to the shareholders Accordingly, the value of policyholders' liabilities decreased by 57% as of 30 September 2024. Accordingly, the accumulated deficit in policyholders' rights was reduced by the value of the exempted balances ( Note 6 – 7 ).

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**11. Related parties**

Related parties primarily comprise of directors, key management personnel, associates, subsidiaries, shareholders and companies of which the Parent Company is principal owner or over which they are able to exercise significant influence. All related party transactions are carried out on terms approved by the group's management.

The following is the summary of significant related party transactions.

	<b>For the nine months period ended</b>	
	<b>30 September 2024 (Unaudited)</b>	<b>30 September 2023 (Unaudited)</b>
<b>Shareholders</b>		
Interim condensed consolidated statement of profit or loss:		
Salaries and other short-term benefits	11,250	11,250
	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2023 (Audited)</b>
		<b>30 September 2023 (Unaudited)</b>
Interim condensed consolidated statement of financial position :		
Financial assets at fair value through other comprehensive income	888,083	761,296
		769,740
Financial assets at fair value through other comprehensive income above include the Group's investments in the shares of subsidiaries of the ultimate parent company (Investment Dar Company) amounting to KD 454,385 (31 December 2023: KD 428,617 and 30 September 2023: KD 440,678).		
	<b>For the nine months period ended</b>	
	<b>30 September 2024 (Unaudited)</b>	<b>30 September 2023 (Unaudited)</b>
<b>Policyholders</b>		
Top management compensation	45,949	62,667
Salaries and other short-term benefits	3,629	7,610
End of service benefits	49,578	70,277

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**12. Segment reporting**

	<u>Investment</u>	<u>Takaful insurance</u>	<u>Unaaocated</u>	<u>Total</u>
<b>Shareholders</b>				
<b>Nine months ended 30 September 2024</b>				
<b>(Unaudited)</b>				
Gross revenue	124,166	-	-	124,166
Profit / (Loss) for the Period	40,990	-	-	40,990
<b>Total assets</b>	4,355,270	-	-	4,355,270
<b>Total liabilities</b>	-	-	(117,198)	(117,198)
<b>Net assets</b>	4,355,270	-	(117,198)	4,238,072

<b>Shareholders</b>				
<b>Nine months ended 30 September 2023</b>				
<b>(Unaudited)</b>				
Gross revenue	77,363	-	-	77,363
Profit / (Loss) for the Period	43,018	-	-	43,018
<b>Total assets</b>	4,164,826	-	-	4,164,826
<b>Total liabilities</b>	-	-	(130,785)	(130,785)
<b>Net assets</b>	4,164,826	-	(130,785)	4,034,041

	<u>Investment</u>	<u>Takaful insurance</u>	<u>Car rental</u>	<u>Unaaocated</u>	<u>Total</u>
<b>Policyholders</b>					
<b>Nine months ended 30 September 2024</b>					
<b>(Unaudited)</b>					
Gross revenue	45,700	(171,003)	20,975	-	(104,328)
Profit / (Loss) for the Period	45,700	(167,792)	(18,931)	-	(141,023)
<b>Total assets</b>	2,194,802	2,714,237	413,698	1,216,445	6,539,182
<b>Total liabilities</b>	-	(2,571,450)	(245,036)	(3,286,159)	(6,102,645)
<b>Net assets</b>	2,194,802	142,787	168,662	(2,069,714)	436,537

<b>Policyholders</b>					
<b>Nine months ended 30 September 2023</b>					
<b>(Unaudited)</b>					
Gross revenue	34,821	(127,470)	24,089	-	(68,560)
Profit / (Loss) for the Period	34,821	(120,321)	(12,401)	-	(97,901)
<b>Total assets</b>	1,682,476	2,091,001	400,717	603,590	4,777,784
<b>Total liabilities</b>	-	(2,048,471)	(208,318)	(10,704,645)	(12,961,434)
<b>Net assets</b>	1,682,476	42,530	192,399	(10,101,055)	(8,183,650)

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**13. Subsidiaries**

Subsidiary's name	Country of incorporation	Principal activities	30 September	Ownership %	30 September
			2024	31 December 2023	2023
Consolidated with shareholders					
Hala Real Estate Investment Company (L.L.C)	Arab Republic of Egypt	Real estate investment, marketing, purchase, sale and lease of land for its own account or third parties.	100 %	100 %	100 %
Consolidated with policyholders					
Ward Car Rental Company (K.S.C.C)	State of Kuwait	Car rental, trading in car and spare parts in the State of Kuwait	100 %	100 %	100 %

**14. Earnings per share**

The basic and diluted earnings per share are calculated by dividing the net profit for the period by the weighted average number of shares outstanding during the period less treasury shares.

The Parent Company had no outstanding dilutive potential shares.

The following is the profit and weighted average number of shares outstanding during the period which is used to calculate the profit per share.

	For the three months period ended		For the nine months period ended	
	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)	30 September 2024 (Unaudited)	30 September 2023 (Unaudited)
Profit for the period	17,717	18,690	40,990	43,018
Weighted average number of shares outstanding during the period	110,250,000	110,250,000	110,250,000	110,250,000
Treasury shares	(445,500)	(445,500)	(445,500)	(445,500)
	109,804,500	109,804,500	109,804,500	109,804,500
<b>Basic and diluted earnings per share (Fils)</b>	<b>0.16</b>	<b>0.17</b>	<b>0.37</b>	<b>0.39</b>

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**15. Fair value of financial instruments**

**A) Valuation and assumptions applied for the purposes of measuring fair value**

The following is the fair value determined for financial assets:

- The fair value of financial assets (quoted securities) with standard terms and conditions and traded in active markets is determined by reference to quoted market prices.
- The fair value of financial assets (unquoted funds) is determined based on observable current market transaction prices.
- The fair value of other financial assets (unquoted securities) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using observable market data.

**B) Fair value measurements recognised in the consolidated statement of financial position**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

	30 September 2024			
	Level 1	Level 2	Level 3	Total
<b>Shareholders</b>				
Financial assets at fair value through profit or loss	307,024	-	-	307,024
Financial assets at fair value through other comprehensive income	562,401	-	325,682	888,083
	<u>869,425</u>	<u>-</u>	<u>325,682</u>	<u>1,195,107</u>
<b>Policyholders</b>				
Financial assets at fair value through other comprehensive income	15,336	-	79,996	95,332
	<u>15,336</u>	<u>-</u>	<u>79,996</u>	<u>95,332</u>

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**15. Fair value of financial instruments (continued)**

	<b>31 December 2023</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Shareholders</b>				
Financial assets at fair value through profit or loss	257,523	-	-	257,523
Financial assets at fair value through other comprehensive income	418,089	-	343,207	761,296
	<u>675,612</u>	<u>-</u>	<u>343,207</u>	<u>1,018,819</u>
<b>Policyholders</b>				
Financial assets at fair value through other comprehensive income	13,150	-	98,488	111,638
	<u>13,150</u>	<u>-</u>	<u>98,488</u>	<u>111,638</u>
	<b>30 September 2023</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Shareholders</b>				
Financial assets at fair value through profit or loss	248,616	-	-	248,616
Financial assets at fair value through other comprehensive income	426,533	-	343,207	769,740
	<u>675,149</u>	<u>-</u>	<u>343,207</u>	<u>1,018,356</u>
<b>Policyholders</b>				
Financial assets at fair value through other comprehensive income	14,730	-	98,488	113,218
	<u>14,730</u>	<u>-</u>	<u>98,488</u>	<u>113,218</u>

As at 30 September 2024, the fair value of financial instruments approximates their carrying amounts. The Group's management has estimated that the fair value of its financial assets and liabilities approximates their carrying amounts largely due to the short maturity of these financial instruments.

There were no transfers between Levels 1, 2 and 3 during the period.

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**16. Annual general assembly meeting**

The annual general assembly of shareholders was held on 22 May 2024 and approved the consolidated financial statements for the year ended 31 December 2023.

The General Assembly also approved Board of Directors remuneration in the amount of KD 25,000 for the year ended 31 December 2023.

**17. Contingencies**

The Group is a defendant in a number of legal case filed by Takaful contract holders in respect of claims subject to dispute with the Group including a legal case filed by a government body against the Group for an amount of KD 3,636,022, which the Group has provided for in the accounts and other payable . Although the Court of Appeal passed its ruling in favor of the State and the parent company filed an appeal in cassation before the Court of Cassation, the parent company has made provisions which, in its opinion, are adequate to cover any resultant liabilities.

**18. Going Concern**

The company's accumulated losses amounted to KD 6,788,846 on 30 September 2024 . this indicates the existence of risk associated with the parent company's going concern. However the company's management believes that despite significany doubt about the company's ability to address the above risk, the parent company is able to generate profits and positive cash flows from its future operation, which will eliminate the going concern risk.

- 19.** The consolidated financial statements of the Group for the financial year ended 31 December 2023 and the interim condensed consolidated financial information (unaudited) audited by another auditor .