

Wathaq 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 three months period ended 31 March 2025

**Wathaq 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 three months period ended 31 March 2025

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Report on review of interim condensed consolidated financial information

The Board of Directors

Wathaq 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 Wathaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries ("the Parent Company") and its subsidiaries (together referred to as "the Group") as at 31 March 2025 and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three 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

We draw the attention to Note 1 to the accompanying interim condensed consolidated financial information, which sets out that opening balances reported in the interim condensed consolidated financial information for the three-month period ended 31 March 2025 have not been approved because the Company has not held its ordinary general assembly meeting to approve the consolidated financial statements for the financial year ended 31 December 2024 in accordance with the Companies Law No. 1 of 2016. Our conclusion is not modified in this respect.

The interim condensed consolidated financial information (unaudited) also reviewed by another auditor who expressed an unqualified opinion on those consolidated financial statements on 14 May 2024.

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 6,650,606 as at 31 March 2025 (KD 6,772,927 as at 31 December 2024). 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 three months period ended 31 March 2025, 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 May 2025
Kuwait




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

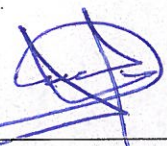
Wathaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries
State of Kuwait

Interim condensed consolidated statement of financial position (Unaudited)
As at 31 March 2025

	Notes	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Assets				
Cash and cash equivalents		66,734	66,370	92,735
Investment deposits		20,500	20,500	32,286
Financial assets at fair value through profit or loss	4	270,877	267,781	280,389
Financial assets at fair value through other comprehensive income	5	855,640	885,622	777,826
Amount due from policyholders	6	160,065	68,159	120,208
Investment properties	7	2,886,075	2,886,075	2,879,865
Property and equipment		39,997	39,409	64,677
Debtors and other debit balances		119,097	85,789	26,019
Total assets		4,418,985	4,319,705	4,274,005
Equity and liabilities				
Equity				
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		(419,096)	(389,114)	(496,910)
Foreign currency translation reserve		(41,885)	(43,949)	(15,364)
Employees' stock option plan reserve		65,964	65,964	65,964
Accumulated losses		(6,650,606)	(6,772,927)	(6,786,336)
Total equity		4,320,535	4,226,132	4,133,512
Liabilities				
Creditors and other credit balances		98,450	93,573	140,493
Total liabilities		98,450	93,573	140,493
Total equity and liabilities		4,418,985	4,319,705	4,274,005

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


Nasser Enad Faisal Alenzi
Chairman


Hussam Ammar Mohamed Ammar
Vice Chairman

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

Interim condensed consolidated statement of profit or loss (Unaudited)
For the three months period ended 31 March 2025

	For the three months period ended	
Notes	31 March 2025	31 March 2024
	(Unaudited)	(Unaudited)
Revenue		
Lease income	34,387	31,443
Income from investment deposits	215	133
Change in fair value of financial assets at fair value through profit or loss	3,096	22,866
Dividend income	23,653	-
Management fees from policyholdres	79,056	-
Other income	518	4,394
Total revenue	140,925	58,836
Expenses		
General and administrative expenses	14,167	13,758
Total expenses	(14,167)	(13,758)
Profit before contribution to KFAS, NLST and Zakat	126,758	45,078
NLST	(3,169)	(1,127)
Zakat	(1,268)	(451)
Profit for the period	122,321	43,500
Basic and diluted earnings per share (Fils)	14	0.40
	1.11	

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

Wathaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries
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Interim condensed consolidated statement of comprehensive income (Unaudited)
For the three months period ended 31 March 2025

	For the three months period ended	
	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Profit for the period	<u>122,321</u>	<u>43,500</u>
Other comprehensive income:		
<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	(29,982)	16,530
<i>Items that may be subsequently reclassified to consolidated statement of profit or loss:</i>		
Exchange differences arising from translation of foreign operations	<u>2,064</u>	<u>2,790</u>
Other comprehensive income for the period	<u>(27,918)</u>	<u>19,320</u>
Total other comprehensive income for the period	<u>94,403</u>	<u>62,820</u>

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

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**Interim condensed consolidated statement of changes in equity (Unaudited)
for the three months period ended 31 March 2025**

	Share capital	Treasury shares	Treasury shares reserve	Statutory reserve	Fair value reserve	Foreign 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	(513,440)	(18,154)	65,964	(6,829,836)	4,070,692
Profit for the period	-	-	-	-	-	-	-	43,500	43,500
Other comprehensive income for the period	-	-	-	-	16,530	2,790	-	-	19,320
Total comprehensive income for the period	-	-	-	-	16,530	2,790	-	43,500	62,820
Balance at 31 March 2024	11,025,000	(50,489)	3,508	388,139	(496,910)	(15,364)	65,964	(6,786,336)	4,133,512
Balance at 1 January 2024	11,025,000	(50,489)	3,508	388,139	(389,114)	(43,949)	65,964	(6,772,927)	4,226,132
Profit for the period	-	-	-	-	-	-	-	122,321	122,321
Other comprehensive income for the period	-	-	-	-	(29,982)	2,064	-	-	(27,918)
Total comprehensive income for the period	-	-	-	-	(29,982)	2,064	-	122,321	94,403
Balance at 31 March 2025	11,025,000	(50,489)	3,508	388,139	(419,096)	(41,885)	65,964	(6,650,606)	4,320,535

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

Wathaq Takaful Insurance Company (K.S.C.P) and its Subsidiaries and its subsidiaries
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Interim condensed consolidated statement of cash flows (Unaudited)
For the three months period ended 31 March 2025

	Notes	For the three months period ended 31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Cash flows from operating activities			
Profit for the period		122,321	43,500
<i>Adjustments:</i>			
Change in fair value financial assets at fair value through profit or loss		(3,096)	(22,866)
Dividend income		(23,653)	-
Income from investment deposits		(215)	(133)
Operating loss before changes in working capital		<u>95,357</u>	<u>20,501</u>
Changes in working capital			
Debtors and other debit balances		(33,308)	(8,599)
Amount due from policyholders		(91,906)	(11,000)
Creditors and other credit balances		4,877	(6,313)
Net cash used in operating activities		<u>(24,980)</u>	<u>(5,411)</u>
Cash flows from investing activities			
Sale of property and equipment		1,476	3,195
Income from investment deposits		23,653	-
Investment deposits		215	133
Net cash (used in) / from investing activities		<u>25,344</u>	<u>3,328</u>
(Decrease) / increase in cash and cash equivalents		<u>364</u>	<u>(2,083)</u>
Cash and cash equivalents at beginning of the period		66,370	94,818
Cash and cash equivalent at the end of the period		<u>66,734</u>	<u>92,735</u>

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

**Wathaq 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 three months period ended 31 March 2025

1. Incorporation and activities

Wathaq 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 June 2004. The parent company's shares are listed on Boursa 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.

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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 three-month period ended 31 March 2025 was authorized for issue by the Board of Directors of the Parent Company on 13 May 2025.

The opening balances of the interim condensed consolidated financial information for the three-month period ended 31 March 2025 have not been approved because the Company has not held its ordinary general assembly to approve the consolidated financial statements for the year ended 31 December 2024 in accordance with the Kuwait Companies Law No. 1 of 2016.

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 2024. 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 three month period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the year ending 31 December 2025.

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

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For the three months period ended 31 March 2025

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 2024. 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.

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. Financial assets at fair value through profit or loss

	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Local quoted securities	270,877	267,781	280,389
	270,877	267,781	280,389

5. Financial assets at fair value through other comprehensive income

	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Local quoted securities	529,798	559,780	434,619
Local unquoted securities *	25,944	25,944	39,278
Managed portfolios	219,840	219,840	223,871
Managed funds	80,058	80,058	80,058
	855,640	885,622	777,826

* 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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For the three months period ended 31 March 2025

6. Amount due from policyholders

	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Beginning of the period / year	68,159	7,146,438	7,146,438
Disposals	-	(7,073,465)	-
Net movement	91,906	(4,814)	11,000
	160,065	68,159	7,157,438
Expected credit loss	-	-	(7,037,230)
Ending of the period / year	160,065	68,159	120,208

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.

7. Investment properties

The movement in investment property is as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Beginning of the period / year	2,886,075	2,879,865	2,879,865
Change in fair value	-	6,210	-
Ending of the period / year	2,886,075	2,886,075	2,879,865

The investment property in Egypt amounting KD 2,819,690 as at 31 March 2025 (KD 2,819,690 as at 31 December 2024).

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 66,385 as at 31 March 2025 (KD 66,385 as at 31 December 2024).

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8. Consolidated policyholders' results

	For the three months period ended	
	31 March 2025	31 March 2024
	(Unaudited)	(Unaudited)
Revenues		
Insurance revenues	1,222,706	1,180,943
Insurance services expenses	(735,224)	(57,863)
Net expenses of reinsurance contracts	(103,612)	(1,151,404)
Results of insurance services	383,870	(28,324)
Income / expenses of financing from issued insurance contracts	2,773	12,176
Expenses / income of financing from held reinsurance contracts	(9,477)	(10,377)
Net results of insurance financing	(6,704)	1,799
Net deficit of insurance services	377,166	(26,525)
Other revenues	19,802	18,942
Net deficit from Takaful insurance operations	396,968	(7,583)
lease income	13,102	7,750
lease related expenses	(14,788)	(13,622)
Net results of other activities	(1,686)	(5,872)
Net deficit	395,282	(13,455)

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Notes to the interim condensed consolidated financial information (Unaudited)
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9. Statement of policyholders' assets, liabilities and fund

	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)	31 December 2023 (Audited)
Assets				
Cash and cash equivalents	2,410,157	2,090,751	74,556	80,417
Investment deposits	1,859,491	1,159,492	1,159,492	1,159,492
Debtors and other debit balances	768,524	889,799	1,038,677	815,240
Financial assets at fair value through other comprehensive income	100,281	100,966	111,954	111,638
Goodwill	409,766	409,766	409,766	409,766
Assets of held reinsurance contracts	1,061,898	1,064,839	2,682,504	3,698,644
Property and equipment	43,106	34,935	3,741	3,520
Total assets	6,653,223	5,750,548	5,480,690	6,278,717
Liabilities and policyholders' fund				
Liabilities				
liabilities of issued insurance contracts	2,406,941	1,941,898	2,627,479	1,776,834
End of service benefits	289,283	275,007	372,412	361,861
Creditors and other credit balances	2,875,146	3,089,800	1,708,592	3,377,731
Amount due to shareholders *	160,065	68,159	7,135,033	7,146,438
Qard Hassan from shareholders *	-	-	1,625,611	1,625,611
Total liabilities	5,731,435	5,374,864	13,469,127	14,288,475
Policyholders' fund				
Policyholders' rights *	767,857	630,256	(7,805,864)	(7,929,958)
Provision for insurance and reinsurance contracts	(5,960)	(5,960)	(5,960)	(5,960)
Fair value reserve	(156,335)	(155,650)	(163,154)	(163,470)
Net (deficit) / surplus of policyholders	395,282	(92,962)	(13,459)	112,037
Management fees due to shareholders	(79,056)	-	-	(22,407)
Total policyholders' fund as at the end of the period / year	921,788	375,684	(7,988,437)	(8,009,758)
Total liabilities and policyholders' fund	6,653,223	5,750,548	5,480,690	6,278,717

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Notes to the interim condensed consolidated financial information (Unaudited)

For the three months period ended 31 March 2025

10. 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.

	For the three months period ended	
	31 March 2025	31 March 2024
	(Unaudited)	(Unaudited)
Shareholders		
Interim condensed consolidated statement of profit or loss:		
Salaries and other short-term benefits	3,750	3,750
	31 March 2025	31 December 2024
	(Unaudited)	(Audited)
		31 March 2024
		(Unaudited)
Interim condensed consolidated statement of financial position :		
Financial assets at fair value through other comprehensive income	855,640	885,622
		777,826
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 31 March 2024: KD 440,678).		
	For the three months period ended	
	31 March 2025	31 March 2024
	(Unaudited)	(Unaudited)
Policyholders		
Top management compensation		
Salaries and other short-term benefits	12,750	20,889
End of service benefits	1,508	2,003
	14,258	22,892

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Notes to the interim condensed consolidated financial information (Unaudited)
For the three months period ended 31 March 2025

11. Segment reporting

	Investment	Takaful insurance	Unaaocated	Total
Shareholders				
Three months ended 31 March 2025				
(Unaudited)				
Gross revenue	61,869	79,056	-	140,925
Profit / (Loss) for the Period	43,265	79,056	-	122,321
Total assets	4,258,920	160,065	-	4,418,985
Total liabilities	(98,450)	-	-	(98,450)
Net assets	4,160,470	160,065	-	4,320,535

Shareholders				
Three months ended 31 March 2024				
(Unaudited)				
Gross revenue	58,835	-	-	58,835
Profit / (Loss) for the Period	43,500	-	-	43,500
Total assets	3,970,366	120,208	183,431	4,274,005
Total liabilities	-	-	(140,493)	(140,493)
Net assets	3,970,366	120,208	42,938	4,133,512

	Investment	Takaful insurance	Car rental	Unaaocated	Total
Policyholders					
Three months ended 31 March 2025					
(Unaudited)					
Gross revenue	19,802	383,870	13,102	-	416,774
Profit / (Loss) for the Period	19,802	378,166	(1,686)	-	396,282
Total assets	1,859,491	4,379,911	413,821	-	6,653,223
Total liabilities	-	(5,463,299)	(268,136)	-	(5,731,435)
Net assets	1,859,491	(1,083,388)	145,685	-	921,788

Policyholders					
Three months ended 31 March 2024					
(Unaudited)					
Gross revenue	18,942	(28,324)	7,750	-	(1,632)
Profit / (Loss) for the Period	18,942	(26,525)	(5,872)	-	(13,455)
Total assets	1,681,212	2,682,504	379,355	737,619	5,480,690
Total liabilities	-	(2,627,479)	(197,643)	(10,644,005)	(13,469,127)
Net assets	1,681,212	55,025	181,712	(9,906,386)	(7,988,437)

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12. Subsidiaries

Subsidiary's name	Country of incorporation	Principal activities	31 March 2025	Ownership % 31 December 2024	31 March 2024
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, tradeing in car and spare parts in the State of Kuwait	100 %	100 %	100 %

13. 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	
	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Profit for the period	122,321	43,500
Weighted average number of shares outstanding during the period	110,250,000	110,250,000
Treasury shars	(445,500)	(445,500)
	109,804,500	109,804,500
Basic and diluted earnings per share (Fils)	1.11	0.40

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14. 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:

	31 March 2025			
	Level 1	Level 2	Level 3	Total
Shareholders				
Financial assets at fair value through profit or loss	270,877	-	-	270,877
Financial assets at fair value through other comprehensive income	529,798	-	325,842	855,640
	<u>800,675</u>	<u>-</u>	<u>325,842</u>	<u>1,126,517</u>
Policyholders				
Financial assets at fair value through other comprehensive income	20,285	-	79,996	100,281
	<u>20,285</u>	<u>-</u>	<u>79,996</u>	<u>100,281</u>

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15. Fair value of financial instruments (continued)

	31 December 2024			Total
	Level 1	Level 2	Level 3	
Shareholders				
Financial assets at fair value through profit or loss	267,781	-	-	267,781
Financial assets at fair value through other comprehensive income	559,780	-	325,842	885,622
	<u>827,561</u>	<u>-</u>	<u>325,842</u>	<u>1,153,403</u>
Policyholders				
Financial assets at fair value through other comprehensive income	20,970	-	79,996	100,966
	<u>20,970</u>	<u>-</u>	<u>79,996</u>	<u>100,966</u>
	31 March 2024			Total
	Level 1	Level 2	Level 3	
Shareholders				
Financial assets at fair value through profit or loss	280,389	-	-	280,389
Financial assets at fair value through other comprehensive income	434,619	-	343,207	777,826
	<u>715,008</u>	<u>-</u>	<u>343,207</u>	<u>1,058,215</u>
Policyholders				
Financial assets at fair value through other comprehensive income	13,466	-	98,488	111,954
	<u>13,466</u>	<u>-</u>	<u>98,488</u>	<u>111,954</u>

As at 31 March 2025, 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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15. 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.

16. Going Concern

The company's accumulated losses amounted to KD 6,650,606 on 31 March 2025 . this indicates the existence of risk associated with the parent company's going concern. However the company's management believes that despite significant 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.