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

Interim condensed consolidated financial information
for the three months ended 31 March 2022
(Unaudited)
and Independent Auditor's Review Report

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

Interim condensed consolidated financial information
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Independent Auditor's Report to the Board of Directors

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Report on Review of Interim Condensed Consolidated Financial Information

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Wethaq Takaful Insurance Company (K.S.C.P) (the "Parent Company") and its subsidiaries (collectively the "Group") as at 31 March 2022 and the interim condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the three months period then ended.

The Parent Company's management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with IAS (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

Except as stated in the next section, we conducted our review in accordance with 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.

Basis for Qualified Conclusion

The interim condensed consolidated financial information for the period ended 31 March 2022 includes the amount due from the policyholders of KD 6,599,142 (KD 6,602,656 on 31 December 2021) and Qard Hassan to policyholders amounting to KD 1,463,111 (KD 1,463,111 on 31 December 2021) after deducting the provision made for these balances amounting to KD 434,640 and KD 162,500 respectively (KD 434,640 and KD 162,500 respectively on 31 December 2021). The management did not calculate the provision for these balances in accordance with IFRS 9 “Financial Instruments”. Therefore, we were unable to complete our review of these balances as of 31 March 2022. Had we been able to complete our review of such balances, matters might have come to our attention indicating that adjustments might have been necessary to the interim condensed consolidated financial information.

Qualified Conclusion

Except for the adjustments to the interim condensed consolidated financial information that we might have become aware of had it not been for the situation described above, 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 IAS (34) "Interim Financial Reporting".

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of the Parent Company. To the best of our knowledge and belief, no violations of the Companies Law No. 1 of 2016, and its Executive Regulations, as amended, or of the Parent Company's Memorandum and Articles of Association, as amended, have occurred during the three-month period ended 31 March 2022 that might have had a material effect on the business of the Group or on its consolidated financial position.

Ali Mohamed Al-Hamad
License No. 111-A
Ali Al-Hamad & Partners
Independent member of Baker Tilly International

بيكر تلي
تأكيد وضرائب واستشارات
Assurance, tax and consulting
Baker Tilly

State of Kuwait, 12 May 2022

Wethaq 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 2022
(All amounts are in Kuwaiti Dinar)

	Note	31 March 2022 (Unaudited)	31 December 2021 (Audited)	31 March 2021 (Unaudited)
Assets				
Cash at banks		**50,408**	50,251	468
Investment deposits		**60,500**	61,628	217,358
Financial assets at fair value through other comprehensive income	5	**1,104,956**	1,109,629	955,255
Financial assets at fair value through profit or loss	6	**306,644**	262,838	215,068
Amount due from policyholders	7	**6,599,142**	6,602,656	6,304,900
Qard Hassan to policyholders	8	**1,463,111**	1,463,111	1,463,111
Investment properties	9	**2,872,372**	2,872,372	2,828,384
Property and equipment		**7,155**	8,613	6,313
Accounts and other receivables		**115**	10,402	15,688
Total assets		**12,464,403**	12,441,500	12,006,545
Equity and liabilities				
Equity				
Share capital		**11,025,000**	11,025,000	11,025,000
Share premium		**7,340,937**	7,340,937	7,340,937
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
Voluntary reserve		**388,139**	388,139	388,139
Fair value reserve		**(181,026)**	(176,353)	(330,728)
Foreign currency translation reserve		**4,721**	4,686	15
Employees' stock option plan reserve		**65,964**	65,964	65,964
Accumulated losses		**(6,618,978)**	(6,664,446)	(6,915,643)
Total equity		**12,365,915**	12,325,085	11,914,842
Liabilities				
Accounts and other payables		**98,488**	116,415	91,703
Total liabilities		**98,488**	116,415	91,703
Total equity and liabilities		**12,464,403**	12,441,500	12,006,545

Abdulrahman Khalifa Al-Shayji
Chairman

Abdullah Meshari Ahmed Al-Humaidhi
Vice Chairman

The notes on pages 6 to 17 form an integral part of this interim condensed consolidated financial information

Interim condensed consolidated statement of profit or loss (unaudited)
For the three-month period ended 31 March 2022
(All amounts are in Kuwaiti Dinar)

	Note	Three-month period ended 31 March (Unaudited)	
		2022	2021
Revenue			
Rental income		**11,207**	18,090
Income from investment deposits		**229**	2,929
Change in fair value of financial assets at fair value through profit or loss		**43,806**	(8,269)
Management fees from policyholders		-	3,868
Other income		-	2,777
		55,242	19,395
Expenses			
General and administrative expenses		**(8,125)**	(17,617)
		(8,125)	(17,617)
Profit for the period before deductions		**47,117**	1,778
National Labor Support Tax		**(1,178)**	-
Zakat		**(471)**	-
Net profit for the period		**45,468**	1,778
Basic and diluted earnings per share (Fils)	15	**0.41**	0.02

Interim condensed consolidated statement of other comprehensive income (unaudited)
For the three-month period ended 31 March 2022
(All amounts are in Kuwaiti Dinar)

	Three-month period ended 31 March (Unaudited)	
	2022	2021
Profit for the period	**45,468**	1,778
Other comprehensive loss:		
Items that will not be subsequently reclassified to consolidated statement of profit or loss:		
Change in fair value of financial assets at fair value through other comprehensive income	**(4,673)**	23,490
Items that may be subsequently reclassified to the consolidated statement of profit or loss:		
Exchange differences arising from translation of foreign operations	**35**	(138)
Other comprehensive (expense)/ income	**(4,638)**	23,352
Total comprehensive income for the period	**40,830**	25,130

Interim condensed consolidated statement of changes in equity (unaudited)
For the three-month period ended 31 March 2022
(All amounts are in Kuwaiti Dinar)

	Share capital	Share premium	Treasury shares	Treasury shares reserve	Statutory reserve	Voluntary reserve	Fair value reserve	Foreign currency translation reserve	Employees' stock option plan reserve	Accumulated losses	Total Equity
Balance as at 1 January 2021	11,025,000	7,340,937	(50,489)	3,508	388,139	388,139	(354,218)	153	65,964	(6,917,421)	11,889,712
Net profit for the period	-	-	-	-	-	-	-	-	-	1,778	1,778
Other comprehensive income for the period	-	-	-	-	-	-	23,490	(138)	-	-	23,352
Total comprehensive income for the period	-	-	-	-	-	-	23,490	(138)	-	1,778	25,130
Balance as at 31 March 2021	11,025,000	7,340,937	(50,489)	3,508	388,139	388,139	(330,728)	15	65,964	(6,915,643)	11,914,842
Balance as at 1 January 2022	**11,025,000**	**7,340,937**	**(50,489)**	**3,508**	**388,139**	**388,139**	**(176,353)**	**4,686**	**65,964**	**(6,664,446)**	**12,325,085**
Net profit for the period	-	-	-	-	-	-	-	-	-	**45,468**	**45,468**
Other comprehensive income for the period	-	-	-	-	-	-	**(4,673)**	**35**	-	-	**(4,638)**
Total comprehensive income for the period	-	-	-	-	-	-	**(4,673)**	**35**	-	**45,468**	**40,830**
Balance as at 31 March 2022	**11,025,000**	**7,340,937**	**(50,489)**	**3,508**	**388,139**	**388,139**	**(181,026)**	**4,721**	**65,964**	**(6,618,978)**	**12,365,915**

The notes on pages 6 to 17 form an integral part of this interim condensed consolidated financial information

Interim condensed consolidated statement of cash flows (unaudited)
For the three-month period ended 31 March 2022
(All amounts are in Kuwaiti Dinar)

	Three-month period ended 31 March (Unaudited)	
	2022	2021
	KD	KD
Cash flows from operating activities:		
Profit for the period	**45,468**	1,778
Adjustments for:		
Change in fair value of financial assets at fair value through profit or loss	**(43,806)**	8,269
Depreciation	**-**	5,194
Income from investment deposits	**(229)**	(2,929)
	1,433	12,312
Changes in operating assets and liabilities:		
Receivables and other debit balances	**10,287**	(6,348)
Payables and other credit balances	**(16,434)**	577
Amount due from policyholders	**3,514**	5,696
Net cash (used in) / generated from operating activities	**(1,200)**	12,237
Cash flows from investing activities:		
Income from investment deposits	**229**	2,929
Proceeds from sale of financial assets at fair value through other comprehensive income	**-**	(5,094)
Movement in investment deposits	**1,128**	(20,773)
Net cash generated from / (used in) investing activities	**1,357**	(22,938)
Increase/ (decrease)/ in cash at banks	**157**	(10,701)
Cash at banks at beginning of the period	**50,251**	11,169
Cash at banks at end of the period	**50,408**	468

1- Incorporation and activities

Wethaq Takaful Insurance Company ("the Parent Company) is a Kuwaiti Public Shareholding Company that was incorporated on 31 July 2000 and is registered under the Insurance Companies and Agents Law No. 24 of 1961 and its subsequent amendments that were registered in the Commercial Register under No. 82421 on 11 June 2014. The shares of the Parent Company were listed on Boursa Kuwait on 20 December 2004. The Company is supervised by Capital Markets Authority.

The Parent Company is a subsidiary of Investment Dar Company – (K.S.C.C) (the Ultimate Parent Company).

The objectives for which the Parent Company was incorporated are as follows:
First: Carry on all Takaful, mutual and retakaful insurance business of all forms in accordance with the provisions of Islamic Sharia and governing laws.

Second: To achieve its above-mentioned objectives and as per its Articles of Association, the Parent Company shall have authority to conduct the following business and acts as Board of Directors deems appropriate:

a) Acquire and gain the right to all or any part of moveable or immovable properties, as it deems necessary, or any privileges that the company believes to be necessary or appropriate for its business or required for growing its funds.

b) Carry out transactions and enter into all contracts with all legal dispositions as it deems necessary and suitable to achieve and facilitate its objectives on the conditions it elects.

c) Purchase, sell, mortgage, lease, replace, possess or endorse in any manner whatsoever any lands, real estate properties, securities, sukuk, stocks or any other moveable or real estate property, or sell, lease, mortgage or dispose of all or part of the company's moveable or real estate property and funds.

d) Provide advisories and conduct technical studies in takaful insurance or reinsurance industry for companies and other entities directly interested in engaging in takaful insurance or reinsurance business.

e) Act as valuer or appraiser in takaful insurance industry and agent for takaful insurance or reinsurance companies to perform all activities that are consistent with the Islamic Sharia after obtaining the necessary licenses.

f) Invest all or part of the company's moveable property or real estate properties in different sectors as it deems appropriate in accordance with governing laws and resolutions.

g) Merge with, incorporate or participate in incorporating and subscribing for shares in companies, buy and sell companies, shares and support them in any form in line with the company's objectives as per applicable laws.

h) Utilize the financial surpluses available with the company through investing the same in financial portfolios managed by specialized companies and entities.

The Parent Company may carry out the above-mentioned businesses in the State of Kuwait or abroad directly or through agency. The Parent Company may have an interest or participate in any way with the entities that engage in similar business that help it achieve its objectives in Kuwait or abroad and it may establish, participate, purchase, merge with such entities or annex them.

Takaful is an Islamic alternative to conventional insurance and investment programs, based on the mutual funds concept, where each policyholder will receive his share in the surplus arising from the insurance activities, in accordance with the Parent Company's articles of association and the approval of Fatwa and Sharia Supervisory Board.

The Parent Company conducts business on behalf of the policyholders and advances funds to the policyholders' operations as and when required. The shareholders are responsible for liabilities incurred by policyholders in the event the policyholders' fund is in deficit and the operations are liquidated.

The Parent Company holds the physical custody and title of all assets related to the policyholders' and shareholders' operations. Such assets and liabilities together with the results of policyholders' lines of business are disclosed in the notes.

The Parent Company maintains separate books of accounts for policyholders and shareholders. Income and expenses clearly attributable to either activity are recorded in the respective accounts. Management and the Board of Directors determine the basis of allocation of expenses from joint operations.

All takaful insurance and investment activities are conducted in accordance with Islamic Sharia, as approved by Fatwa and Sharia Supervisory Board.

The Parent Company's registered address is at Shaq, Khaled Ibn Al-Waleed Street, City Tower, Floor 11.

The interim condensed consolidated financial information for the three-month period ended 31 March 2022 was authorized for issue by the Board of Directors of the Parent Company on 12 May 2022.

2- Basis of presentation and significant accounting policies

Basis of preparation

This interim condensed consolidated financial information has been prepared in accordance with IAS (34), "Interim Financial Reporting". The interim condensed consolidated financial information does not include all information and disclosures required for complete financial statements in accordance with International Financial Reporting Standards.

In the management's opinion, all necessary adjustments, including recurring accruals have been included in the interim condensed consolidated financial information for fair presentation. The operating results for the period ended 31 March 2022 are not necessarily indicative of results that may be expected for the year ending 31 December 2022. For further information, it is possible to refer to the consolidated financial statements and its related notes for the year ended 31 December 2021.

The accounting policies used in preparing the interim condensed consolidated financial information are similar to those used in the preparation of consolidated financial statements for the year ended 31 December 2021. There were no amendments to International Financial Reporting Standards (IFRS) for the periods commencing 1 January 2022 that might have material impact on the Group's accounting policies or financial position.

3- Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial information are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1: It includes quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: It includes valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level3: It includes valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The below table presents analysis of the captions recorded at fair value by level of the fair value hierarchy:

	31 March 2022			
Shareholders	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	**306,644**	**-**	**-**	**306,644**
Financial assets at fair value through other comprehensive income	**563,449**	**-**	**541,507**	**1,104,956**
	870,093	**-**	**541,507**	**1,411,600**
Policyholders				
Financial assets at fair value through other comprehensive income	**20,129**	**-**	**98,488**	**118,617**
	20,129	**-**	**98,488**	**118,617**

	31 December 2021			
	Level 1	Level 2	Level 3	Total
Shareholders				
Financial assets at fair value through profit or loss	262,838	-	-	262,838
Financial assets at fair value through other comprehensive income	556,601	-	553,028	1,109,629
	819,439	-	553,028	1,372,467

	31 December 2021			
	Level 1	Level 2	Level 3	Total
Policyholders				
Financial assets at fair value through other comprehensive income	21,479	-	98,488	119,967
	21,479	-	98,488	119,967

	31 March 2021			
Shareholders	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	215,068	-	-	215,068
Financial assets at fair value through other comprehensive income	403,061	-	552,192	955,253
	618,129	-	552,192	1,170,321
Policyholders				
Financial assets at fair value through other comprehensive income	15,905	-	113,625	129,530
	15,905	-	113,625	129,530

As at 31 December, the fair values of financial instruments approximate their carrying amounts. The management of the Group has assessed that the fair values of its financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these financial instruments.

During the period, there were no transfers between Level 1, Level 2 and Level 3.

4- Judgment and estimates

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

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.

5- Financial assets at fair value through other comprehensive income

	31 March 2022 (unaudited)	31 December 2021 (audited)	31 March 2021 (unaudited)
Local quoted securities	**563,449**	556,601	403,061
Local unquoted securities *	**79,041**	79,040	79,040
Managed portfolios	**222,880**	239,586	220,708
Managed funds	**239,586**	234,402	252,446
	1,104,956	1,109,629	955,255

* The Parent Company is currently updating the fair value inputs for the local unquoted securities, and it's expected to finalize the evaluation during the current year.

6- Financial assets at fair value through profit or loss

	31 March 2022 (unaudited)	31 December 2021 (audited)	31 March 2021 (unaudited)
Local quoted securities	**306,644**	262,838	215,068
	306,644	262,838	215,068

7- Amount due from policyholders

	31 March 2022 (unaudited)	31 December 2021 (audited)	31 March 2021 (unaudited)
Opening balance at beginning of period/ year	**7,037,230**	6,745,170	6,745,170
Net movement	**(3,448)**	292,060	(5,630)
	7,033,782	7,037,230	6,739,540
Expected credit loss	**(434,640)**	(434,640)	(434,640)
Closing balance at the end of period/ year	**6,599,142**	6,602,656	6,304,900

Amounts due from policy holders represent net movements in policyholders' account for the net fund transfers from and to their account in addition to the management fees from 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 policyholders from 20% of gross premiums to 20% of net profit of policyholders to enable settlement of the above due balances and also to settle the Qard Hassan balance (Note 8) in such a way that ensures continuity of the Takaful insurance activity of the policyholders.

8- Qard Hassan to policyholders

In line with the Articles of Association, policyholders' net deficit from insurance activities has been covered by Qard Hassan from the shareholders. Qard Hassan provided by shareholders to the policyholders will be settled through the expected surplus from insurance activities in future years.

9- Investment properties

	31 March 2022 (unaudited)	31 December 2021 (audited)	31 March 2021 (unaudited)
Carrying amount at the beginning of the period/ year	**2,872,372**	2,828,384	2,828,384
Change in fair value during the period/ year	**-**	43,988	-
Carrying amount at the end of period/ year	**2,872,372**	2,872,372	2,828,384

- The investment property in Egypt amounting to KD 2,765,831 as at 31 March 2022 (KD 2,765,831 as at 31 December 2021) is registered in the name of a third party who issued power of attorney to other parties, which is ultimately granted to one of the Parent Company's directors, who provided an irrevocable general power of attorney in favor of the Parent Company. The property is managed by a subsidiary, i.e., Hala Real Estate Investment (L.L.C).
- The above investment properties include a right of use of hotel apartments in Zamzam Tower in Holly Mecca, the Kingdom of Saudi Arabia amounting to KD 106,541 as at 31 March 2022 (KD 106,541 as at 31 December 2021).

10- Consolidated policyholders' results by line of business and funds

Three-month period ended 31 March 2022 (unaudited):

	Marine and aviation	**General accident**	**Fire**	**Life**	**Total**
Premiums written	**61,064**	**508,541**	**27,141**	**29,016**	**625,762**
Gross revenue	**10,890**	**270,316**	**15,946**	**7,000**	**304,152**
Net surplus/ (deficit) from takaful insurance operations	**14,159**	**(85,501)**	**7,003**	**39,698**	**(24,641)**
Investments and other income	**92**	**3,683**	**67**	**136**	**3,978**
Net surplus/ (deficit) by line of business	**14,251**	**(81,818)**	**7,070**	**39,834**	**(20,663)**
Income from leasing activities					**10,585**
Expenses related to leasing activities					**(20,328)**
Net surplus transferred to policyholders					**(30,406)**
Other comprehensive income for the period					
Net change in fair value arising during the period					**(1,350)**
Net deficit including other comprehensive income					**(31,756)**

Policyholders' results by line of business for the three-month period ended 31 March 2021 (unaudited) are as follows:

	Marine and aviation	General accident	Fire	Life	Total
Premiums written	26,571	786,122	216,956	14,725	1,044,374
Gross revenue	15,146	340,323	24,348	6,832	386,649
Net surplus/ (deficit) from takaful insurance operations	4,832	30,153	8,264	(11,953)	31,296
Investments and other income	260	449	7,498	185	8,392
Net surplus/ (deficit) by line of business	5,092	30,602	15,762	(11,768)	39,688
Income from leasing activities					20,741
Expenses related to leasing activities					(41,090)
Management fees to Company's shareholders					(3,868)
Net surplus transferred to policyholders					15,471
Other comprehensive income for the period					
Net change in fair value arising during the period					1,394
Net surplus including other comprehensive income					16,865

Statement of policyholders' assets, liabilities and fund

	31 March 2022 (unaudited)	31 December 2021 (audited)	31 March 2021 (unaudited)
Assets			
Cash and cash equivalents	**30,108**	58,888	65,628
Investment deposits	**1,078,492**	1,078,492	1,078,492
Accounts and other receivables	**1,511,155**	1,483,062	1,856,902
Premiums receivable	**1,538,871**	1,561,417	1,659,366
Financial assets at fair value through other comprehensive income	**118,617**	119,967	129,531
Due from related parties	**11,377**	11,377	-
Goodwill	**409,766**	409,766	409,766
Reinsurance share of outstanding claims	**2,212,128**	2,170,807	2,360,557
Retakaful contribution receivables	**1,625,238**	1,752,826	1,483,613
Leasehold land	**-**	-	277,750
Intangible assets	**8,953**	8,953	-
Equipment	**28,340**	32,704	115,032
Total assets	**8,573,045**	8,688,259	9,436,637
Liabilities and Policyholders' fund			
Liabilities			
Outstanding claims reserve	**2,880,112**	2,866,200	3,202,656
Unearned premiums	**432,984**	472,397	835,950
Incurred but not reported claims reserve	**187,019**	227,779	94,096
Provision for unallocated claim settlement expenses	**28,244**	18,682	43,255
Lease payables	**16,371**	16,371	17,019
Payables and accrued expenses	**4,759,773**	4,783,087	5,838,384
Amount due to shareholders	**7,033,782**	7,037,230	6,739,540
Qard Hassan from shareholders	**1,625,611**	1,625,611	1,625,611
Total liabilities	**16,963,896**	17,047,357	18,396,511
Policyholders' fund			
Policyholders' fund balance as at the beginning of the period/ year	**(8,203,955)**	(8,822,306)	(8,814,631)
Net (deficit) / surplus of policyholders for the period/ year	**(30,406)**	618,348	15,471
Policyholders' fund balance as at the end of the period/ year	**(8,234,361)**	(8,203,958)	(8,799,160)
Fair value reserve at the beginning of the period/ year	**(155,140)**	(162,108)	(162,108)
Change in fair value during the period/ year	**(1,350)**	6,968	1,394
Fair value reserve at the end of the period/ year	**(156,490)**	(155,140)	(160,714)
Total policyholders' fund as at the end of the period/ year	**(8,390,851)**	(8,359,098)	(8,959,874)
Total liabilities and policyholders' fund	**8,573,045**	8,688,259	9,436,637

11- Related party transactions and balances

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management. Transactions between the Parent Company and its subsidiaries which are related parties of the Parent Company have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below:

	Three months ended 31 March 2022 (unaudited)	Three months ended 31 March 2021 (unaudited)
Shareholders		
Interim condensed consolidated statement of profit or loss		
Salaries and other short-term benefits	**3,750**	3,750

	31 March 2022 (unaudited)	31 December 2021 (audited)	31 March 2021 (unaudited)
Interim condensed consolidated statement of financial position			
Financial assets at fair value through other comprehensive income	**1,104,956**	1,109,628	955,255

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 655,025 (31 December 2021: KD 669,856 and 31 March 2021: KD 623,661).

	Three months ended 31 March 2022 (unaudited)	Three months ended 31 March 2021 (unaudited)
Policyholders		
Key management compensation:		
Salaries and other short-term benefits	**19,752**	34,844
End of service benefits	**1,915**	2,842
	21,667	37,686

12- Segment reporting

	Investment	Takaful insurance	Unallocated	Total
Shareholders				
Three months ended 31 March 2022 (unaudited)				
Gross revenue	**55,242**	**-**	**-**	**55,242**
Profit for the period	**43,806**	**-**	**1,662**	**45,468**
Total assets	**4,344,472**	**8,062,253**	**57,678**	**12,464,403**
Total liabilities	**-**	**-**	**(98,488)**	**(98,488)**
Net assets	**4,344,472**	**8,062,253**	**(40,810)**	**12,365,915**
Three months ended 31 March 2021 (unaudited)				
Gross revenue	16,618	-	2,777	19,395
(Loss)/ profit for the period	(8,269)	-	10,047	1,778
Total assets	4,216,065	7,768,011	22,469	12,006,545
Total liabilities	-	-	(91,703)	(91,703)
Net assets	4,216,065	7,768,011	(69,234)	11,914,842

	Investment	Takaful insurance	Car rental	Unallocated	Total
Policyholders					
Three months ended 31 March 2022 (unaudited)					
Gross revenue	**3,978**	**304,152**	**10,585**	**-**	**318,715**
Profit / (loss) for the period	**3,978**	**(24,641)**	**(9,743)**	**-**	**(30,406)**
Total assets	**1,197,109**	**6,965,688**	**410,248**	**-**	**8,573,045**
Total liabilities	**-**	**(16,908,630)**	**(55,266)**	**-**	**(16,963,896)**
Net assets	**1,197,109**	**(9,942,942)**	**354,982**	**-**	**(8,390,851)**
Three months ended 31 March 2021 (unaudited)					
Gross revenue	8,392	386,648	20,741	-	415,781
Profit for the period	8,392	51,645	(20,349)	-	39,688
Total assets	1,208,023	7,894,311	334,303	-	9,436,637
Total liabilities	-	(18,379,492)	(17,019)	-	(18,396,511)

Net assets	1,208,023	(10,485,181)	317,284	-	(8,959,874)

13- Shareholders' annual general assembly

The Shareholders' general assembly meeting held on 26 April 2022 approved the consolidated financial statements of the Group for the year ended 31 December 2021 and the Board of Directors' proposal not to distribute any dividends for the year then ended.

14- Subsidiaries

The interim condensed consolidated financial information includes the financial information of the Parent Company and its subsidies below (collectively referred to as the "Group"):

Subsidiary's name	Country of incorporation	Principal activities	Ownership percentage %		
			31 March 2022	31 December 2021	31 March 2021
Consolidated with shareholders					
Hala Real Estate Investment Company (L.L.C)	Arab Republic of Egypt	Real estate investment and marketing, and purchase, sale and lease of land for its own account or third parties	%100	%100	%100
Consolidated with policyholders					
Wared Rent a Car Company- (K.S.C.C)	State of Kuwait	Car rental and trading in cars and spare parts in the State of Kuwait	%100	%100	%93.32

15- Earnings per share

The basic and diluted earnings per share are computed through dividing the profit for the period by weighted average number of shares outstanding during the period (excluding the treasury shares) as follows:

	Three months ended 31 March 2022 (unaudited)	Three months ended 31 March 2021 (unaudited)
Profit for the period (KD)	**45,468**	1,778
Weighted average number of shares outstanding during the period	**110,250,000**	110,250,000
Treasury shares	**(445,500)**	(445,500)
	109,804,500	109,804,500
Basic and diluted earnings per share (Fils)	**0.41**	0.02

16- Contingencies

The Group is a defendant in a number of legal cases 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 payables. Although the Court of Appeal passed its ruling in favor of the State and the Parent Company filed 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.

17- Subsequent events

The Shareholders' general assembly meeting held on 26 April 2022 approved the resolution for amortization of the entire accumulated losses of KD 6,664,446 as of 31 December 2021 through the following:

- Utilizing the entire voluntary reserve of KD 388,139
- Utilizing part of share premium amounting to KD 6,276,307