

**Damaan Islamic Insurance Company**  
**“BEEMA” (Q.P.S.C.)**

**INTERIM CONDENSED FINANCIAL INFORMATION AND  
INDEPENDENT AUDITOR’S REVIEW REPORT**

**FOR THE THREE-MONTH PERIOD ENDED  
31 MARCH 2024**

INTERIM CONDENSED FINANCIAL INFORMATION AND INDEPENDENT  
AUDITOR’S REVIEW REPORT

For the three-month period ended 31 March 2024

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QR. 83053

RN: 719/JK/FY2024

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the Shareholders

Damaan Islamic Insurance Company "BEEMA" (Q.P.S.C.)  
Lusail – Qatar

### *Introduction*

We have reviewed the accompanying interim statement of financial position of Damaan Islamic Insurance Company "BEEMA" (Q.P.S.C.) (the "Company") as at 31 March 2024, and the related interim statements of policyholders' revenues, expenses and other comprehensive income, policyholders' surplus, shareholders' income statement and other comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with the FAS 41 Interim Financial Reporting issued by the Accounting and Auditing Organisation for Islamic Financial Institutions ("AAOIFI") ("FAS 41"). Our responsibility is to express a conclusion on this interim financial information based on our review.

### *Scope of review*

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.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the FAS 41.

Doha – Qatar  
29 April 2024

For Deloitte & Touche  
Qatar Branch

Joseph Khalife  
Partner

License No. 433

QFMA Audit Registration 120156



# Damaan Islamic Insurance Company "BEEMA" (Q.P.S.C.)

## INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Notes	31 March 2024 QR (Reviewed)	31 December 2023 QR (Audited)
<b>Policyholders' assets</b>			
Cash and bank balances	3	125,653,985	76,890,544
Investments at fair value through equity	4 (a)	397,507,899	427,481,383
Investments at fair value through income statement	4 (b)	11,554,691	11,475,535
Due from related parties	6 (b)	12,418,408	16,251,744
Retakaful contract assets	5	126,806,512	137,010,835
Property and equipment		5,729,901	6,214,446
Takaful and other receivables		163,956,621	165,993,427
<b>Total policyholders' assets</b>		<b>843,628,017</b>	<b>841,317,914</b>
<b>Shareholders' assets</b>			
Cash and bank balances	3	42,463,776	50,685,709
Investments at fair value through equity	4 (a)	315,101,764	335,822,659
Investments at fair value through income statement	4 (b)	19,724,059	19,497,979
Prepayments and other receivables		5,834,557	4,885,837
Due from policyholders		61,546,476	51,591,014
Right-of-use assets		2,845,037	2,845,037
Property and equipment		113,608,763	114,979,955
<b>Total shareholders' assets</b>		<b>561,124,432</b>	<b>580,308,190</b>
<b>TOTAL ASSETS</b>		<b>1,404,752,449</b>	<b>1,421,626,104</b>
<b>Policyholders' liabilities</b>			
Takaful contract liabilities	5	524,437,624	524,123,490
Due to related parties	6 (c)	1,503,612	3,889,802
Takaful and other payables		44,489,332	50,102,893
Murabaha finance		-	1,006,116
Due to shareholders		61,546,476	51,591,014
Distributable surplus payable		67,236,311	61,115,196
<b>Total policyholders' liabilities</b>		<b>699,213,355</b>	<b>691,828,511</b>
<b>Policyholders' surplus</b>			
Fair value reserve		(17,959,410)	(19,934,682)
Equalization reserve		90,000,000	90,000,000
Retained surplus		72,374,072	79,424,085
<b>Total policyholders' surplus</b>		<b>144,414,662</b>	<b>149,489,403</b>
<b>Total policyholders' liabilities and surplus</b>		<b>843,628,017</b>	<b>841,317,914</b>
<b>Shareholders' liabilities</b>			
Provisions and other payables		60,393,969	61,897,092
Due to related parties	6 (c)	6,143,464	6,174,565
Net Ijarah liability		2,973,442	2,973,442
Employees' end of service benefits		4,703,609	4,291,220
<b>Total liabilities of shareholders</b>		<b>74,214,484</b>	<b>75,336,319</b>
<b>Shareholders' equity</b>			
Share capital		200,000,000	200,000,000
Legal reserve		200,000,000	200,000,000
Fair value reserve		(9,775,217)	(11,557,398)
Retained earnings		96,685,165	116,529,269
<b>Total shareholders' equity</b>		<b>486,909,948</b>	<b>504,971,871</b>
<b>Total shareholders' liabilities and equity</b>		<b>561,124,432</b>	<b>580,308,190</b>
<b>TOTAL LIABILITIES, POLICYHOLDERS' SURPLUS AND SHAREHOLDERS' EQUITY</b>		<b>1,404,752,449</b>	<b>1,421,626,104</b>



Sheikh. Jassim Bin Hamad Bin Jassim J. Al Thani  
Chairman

Nasser Rashid Al Misnad  
Chief Executive Officer

This statement has been prepared by the Company and stamped by the Auditors for identification purposes only.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL INFORMATION



Damaan Islamic Insurance Company “BEEMA” (Q.P.S.C.)

INTERIM STATEMENT OF POLICYHOLDERS’ REVENUES, EXPENSES AND OTHER COMPREHENSIVE INCOME

For the three-month period ended 31 March 2024

		<i>For the three-month period ended 31 March</i>	
		<i>2024</i>	<i>2023</i>
		<i>QR</i>	<i>QR</i>
<i>Note</i>		<i>(Reviewed)</i>	<i>(Reviewed)</i>
	Gross contributions	7 96,742,113	84,886,864
	Re-Takaful share	7 (16,503,583)	(21,308,914)
	<b>Net contributions</b>	<b>80,238,530</b>	<b>63,577,950</b>
	Movement in unearned contribution – net	7 (7,968,917)	(2,803,771)
	<b>Net earned contributions</b>	<b>72,269,613</b>	<b>60,774,179</b>
	Gross claims paid	7 (42,492,217)	(37,320,240)
	Re-Takaful and other recoveries	7 13,540,103	13,968,756
	Movement in outstanding claims and IBNR – net	7 (2,549,540)	(5,332,915)
	Commission income	7 842,044	1,372,817
	Commission expense	7 (15,712,168)	(13,074,419)
	<b>Net takaful expenses</b>	<b>(46,371,778)</b>	<b>(40,386,001)</b>
	<b>Surplus from Takaful operations</b>	<b>7 25,897,835</b>	<b>20,388,178</b>
	Depreciation of property and equipment	(484,545)	-
	Fair value gain / (loss) on investment at fair value through income statement	75,516	(82,446)
	Reversal for impairment of investment at fair value through equity	154,790	93,640
	Investment income	3,622,616	4,444,140
	Investment expenses	(362,751)	(534,457)
	Mudarib share	(2,443,099)	(2,352,527)
	Wakala fees	(25,213,084)	(21,308,296)
	Other income	2,099,748	1,033,047
	Other expenses	(1,573,549)	(873,710)
	<b>Total surplus for the period</b>	<b>1,773,477</b>	<b>807,569</b>
	<b>OTHER COMPREHENSIVE INCOME</b>		
	<b>Items that may be subsequently reclassified to statement of Policyholders’ revenue and expenses</b>		
	Net change in fair value of debt-type instruments designated at fair value through other comprehensive income	1,975,272	4,340,269
	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>3,748,749</b>	<b>5,147,838</b>

DELOITTE & TOUCHE  
Doha - Qatar

29 APR 2024

Signed for Identification  
Purposes Only

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# Damaan Islamic Insurance Company "BEEMA" (Q.P.S.C.)

## INTERIM STATEMENT OF POLICYHOLDERS' SURPLUS

For the three-month period ended 31 March 2024

	<i>Retained surplus QR</i>	<i>Fair value reserve QR</i>	<i>Equalization reserve QR</i>	<i>Total QR</i>
Balance at 1 January 2023 (Audited)	61,337,936	(29,736,360)	90,000,000	121,601,576
Surplus for the period	807,569	-	-	807,569
Distribution to policyholders during the period	(8,868,678)	-	-	(8,868,678)
Net change in fair value of investment at fair value through equity	-	4,340,269	-	4,340,269
Balance at 31 March 2023 (Reviewed)	<u>53,276,827</u>	<u>(25,396,091)</u>	<u>90,000,000</u>	<u>117,880,736</u>
Balance as at 1 January 2024 (Audited)	79,424,085	(19,934,682)	90,000,000	149,489,403
Surplus for the period	1,773,477	-	-	1,773,477
Distribution to policyholders during the period	(8,823,490)	-	-	(8,823,490)
Net change in fair value of investment at fair value through equity	-	1,975,272	-	1,975,272
Balance at 31 March 2024 (Reviewed)	<u>72,374,072</u>	<u>(17,959,410)</u>	<u>90,000,000</u>	<u>144,414,662</u>

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Doha - Qatar

29 APR 2024

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Damaan Islamic Insurance Company "BEEMA" (Q.P.S.C.)

INTERIM SHAREHOLDERS' INCOME STATEMENT AND OTHER  
COMPREHENSIVE INCOME

For the three-month period ended 31 March 2024

	<i>For the three-month period ended 31 March</i>	
	<i>2024</i>	<i>2023</i>
	<i>QR</i> <i>(Reviewed)</i>	<i>QR</i> <i>(Reviewed)</i>
Note		
<b>Income</b>		
Income from shareholders' investments	3,361,394	3,489,628
Wakala fee	25,213,084	21,308,296
Mudarib share	2,443,099	2,352,527
Other income	315,057	366,435
<b>Total income</b>	<b>31,332,634</b>	<b>27,516,886</b>
Staff costs	(10,715,184)	(7,752,370)
Depreciation of property and equipment	(1,388,094)	(1,430,354)
Fair value gain / (loss) on investment at fair value through income statement	104,823	(68,796)
Reversal for impairment of investment at fair value through equity	148,274	70,226
General and administrative expenses	(3,021,633)	(3,894,585)
Finance costs	(6,906)	(82,679)
Investment expenses	(298,018)	(688,378)
<b>Total expenses</b>	<b>(15,176,738)</b>	<b>(13,846,936)</b>
<b>Profit before tax for the period</b>	<b>16,155,896</b>	<b>13,669,950</b>
<b>Tax expense</b>	<b>-</b>	<b>-</b>
<b>Net profit for the period</b>	<b>16,155,896</b>	<b>13,669,950</b>
<b>Basic/Diluted earnings per share in Qatari Riyal</b>	<b>0.081</b>	<b>0.068</b>
	12	
<b>OTHER COMPREHENSIVE INCOME</b>		
<b>Net profit for the period</b>	<b>16,155,896</b>	<b>13,669,950</b>
<b>Items that may be subsequently reclassified to shareholders' income statement</b>		
Net change in fair value of debt-type instruments designated at fair value through other comprehensive income	1,782,181	3,238,172
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>17,938,077</b>	<b>16,908,122</b>



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Damaan Islamic Insurance Company “BEEMA” (Q.P.S.C.)

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the three-month period ended 31 March 2024

	<i>Share Capital QR</i>	<i>Legal reserve QR</i>	<i>Fair value Reserve QR</i>	<i>Retained earnings QR</i>	<i>Total QR</i>
Balance at 1 January 2023 (Audited)	200,000,000	200,000,000	(18,926,538)	80,007,209	461,080,671
Total comprehensive income for the period	--	--	--	13,669,950	13,669,950
Net change in fair value of investment at fair value through equity	--	--	3,238,172	--	3,238,172
Dividends paid*	--	--	--	(32,000,000)	(32,000,000)
Balance at 31 March 2023 (Reviewed)	<u>200,000,000</u>	<u>200,000,000</u>	<u>(15,688,366)</u>	<u>61,677,159</u>	<u>445,988,793</u>
Balance at 1 January 2024 (Audited)	200,000,000	200,000,000	(11,557,398)	116,529,269	504,971,871
Total comprehensive income for the period	--	--	--	16,155,896	16,155,896
Net change in fair value of investment at fair value through equity	--	--	1,782,181	--	1,782,181
Dividends paid*	--	--	--	(36,000,000)	(36,000,000)
Balance at 31 March 2024 (Reviewed)	<u>200,000,000</u>	<u>200,000,000</u>	<u>(9,775,217)</u>	<u>96,685,165</u>	<u>486,909,948</u>

\* Dividend declared amounting to QR. 36 million at the rate of QR. 0.18 per share (2023: QR. 32 million at the rate of QR. 0.16 per share) was approved by the Shareholders at the Annual General Assembly meeting held on 7 March 2024.



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# Damaan Islamic Insurance Company "BEEMA" (Q.P.S.C.)

## INTERIM STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2024

	<i>For the three-month period ended</i>	
	<i>31 March</i>	<i>31 March</i>
	<i>2024</i>	<i>2023</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
<b>OPERATING ACTIVITIES</b>		
Shareholders' profit for the period	16,155,896	13,669,950
Policyholders' surplus for the period	1,773,477	807,569
	<u>17,929,373</u>	<u>14,477,519</u>
<i>Adjustments for:</i>		
Depreciation of property and equipment	1,872,639	1,430,354
Amortization of right-of-use assets	-	61,849
Net reversal of impairment of financial investments	(303,064)	(163,867)
Realized gain from investments	(6,984,010)	(7,933,769)
Gain on disposal of property and equipment	(55)	(125,884)
Amortization of deferred cost	-	77,044
Fair value loss on investments at fair value through income statement	(180,339)	151,242
Provision for employees' end of service benefits	616,339	199,545
	<u>12,950,883</u>	<u>8,174,033</u>
Operating profit before changes in working capital	3,833,336	1,231,691
Change in due from related parties	1,088,086	(1,044,265)
Change in prepayments, takaful and other receivables	(2,417,291)	(206,279,519)
Change in due to related parties	10,518,457	8,136,687
Change in net takaful contract liabilities	(7,116,684)	(1,180,864)
	<u>18,856,787</u>	<u>(190,962,237)</u>
Tax paid	-	(1,064,981)
Employees' end of service benefits paid	(203,950)	-
	<u>18,652,837</u>	<u>(192,027,218)</u>
<b>Net cash generated from / (used in) operating activities</b>		
<b>INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(16,998)	(281,261)
Proceeds from disposal of property and equipment	151	137,782
Acquisition of capital work in progress	-	(2,131,869)
Investment in fixed deposits	(5,900,000)	33,560,000
Net movement in investments	54,629,999	(2,065,115)
Realized gain from investments	6,984,010	7,933,769
	<u>55,697,162</u>	<u>37,153,306</u>
<b>Net cash generated from investing activities</b>		
<b>FINANCING ACTIVITIES</b>		
Policyholders' surplus paid during the period	(2,702,375)	(1,150,957)
Dividends paid	(36,000,000)	(32,000,000)
Repayment of gross Ijarah liability	-	(96,506)
Murabaha finance	(1,006,116)	(3,706,761)
	<u>(39,708,491)</u>	<u>(36,954,224)</u>
<b>Net cash used in financing activities</b>		
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>34,641,508</u>	<u>(191,828,136)</u>
Cash and cash equivalents at 1 January	40,676,253	278,817,003
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b> (Note 3)	<u>75,317,761</u>	<u>86,988,867</u>

The changes in due from policyholders and in due to shareholders were netted off and not included in the above statement.

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# Damaan Islamic Insurance Company “BEEMA” (Q.P.S.C.)

## NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the three-month period ended 31 March 2024

### 1 LEGAL STATUS AND OPERATIONS

Damaan Islamic Insurance Company “BEEMA” (Q.P.S.C.) (“the Company”) was incorporated in the State of Qatar on October 18, 2009, as a closed Qatari Private Shareholding Company under Qatar Commercial Companies’ Law No. 5 of 2002 with Registration No: 43652. The Head Office of the Company is located in Lusail, in the State of Qatar.

The Company is primarily engaged in the business of underwriting Marine, Aviation, Motor, Fire, General Accident, Takaful and Medical in accordance with the provisions of Islamic Shari’a. The Company commenced international underwriting business on a facultative basis during third quarter of 2023. The Company also invests its capital, and other available resources in all related activities on non-interest (Riba free) basis.

By virtue of an extraordinary general assembly resolution dated 30 November 2022, the Founders, being the shareholders of the Company prior to its conversion, resolved to convert the Company from a private shareholding company to a public shareholding company and subsequently list on the Qatar Stock Exchange. It was further resolved that the conversion to a public shareholding company (Q.P.S.C.) shall be carried out by offering 25% of the shares held by shareholders of the Company prior to its conversion to the public through an Initial Public Offering (“IPO”). Post the successful completion of the IPO, the conversion from a Qatari private shareholding company (Q.P.S.C.) to a Qatari public shareholding company (Q.P.S.C.) was formally announced in the Constitutive General Assembly (“CGA”) meeting held on 11 December 2022. The shares of the Company were listed for trading at the Qatar Stock Exchange on 16 January 2023. Also, it was resolved to change nominal value of share from QR 10 to QR 1 per share.

Consequently, the interest held by Qatar Islamic Bank Q.P.S.C., Qatar Insurance Company Q.P.S.C., Masraf Al Rayan Q.P.S.C., Barwa Real Estate Company Q.P.S.C. and Q-Invest LLC, in the Company, has been reduced by 25% of its issued and paid-up share capital.

This interim condensed financial information of the Company for the three-month period ended 31 March 2024 were approved by the Board of Directors on 29 April 2024.

### 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

This interim condensed financial information has been prepared in accordance with the Financial Accounting Standards 41 (FAS 41) issued by the Accounting and Auditing Organisation for Islamic Financial Institutions (“AAOIFI”), the Islamic Shari’a Rules and Principles as determined by the Shari’a Supervisory Board of the Company and the applicable provisions of the Qatar Commercial Companies Law.

Although the Company adopted FAS 41 Interim Financial Reporting standard effective from 1 January 2023 but the adoption of this standard had no impact on the Company’s interim financial information as FAS 41 requires takaful entities to follow the requirements of FAS 12 “General Presentation and Disclosure in the Financial Statements of Islamic Insurance Companies”, until the adoption of FAS 42 “Presentation and Disclosures in the Financial Statements of Takaful Institutions”, effective 1 January 2025.

This interim condensed financial information does not contain all the information and disclosures required in the financial statements and should be read in conjunction with the financial statements as of 31 December 2023. In addition, the results for the three-month period ended 31 March 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

This interim condensed financial information has been prepared under the historical cost basis except for the “investments at fair value through equity” and “investments at fair value through income statement” that are measured at fair value.

This interim condensed financial information has been presented in Qatari Riyal (‘QR’), which is the Company’s functional and presentation currency.

## 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

### (b) Estimates and judgements

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

Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

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

### (c) Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial information are consistent with those followed in the preparation of the Company’s annual financial statements for the year ended 31 December 2023.

The adoption of the below standards and amendments to standards did not result in changes to previously reported net profit or equity of the Company:

#### **New accounting standards, amendments and interpretations that are issued and effective from 1 January 2024**

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

The standard introduces the concepts of quasi-equity, off-balance-sheet assets under management and other comprehensive income to enhance the information provided to the users of the financial statements. It also provides definitions that are aligned with the accounting treatments prescribed in the recently issued AAOIFI FASs. The standard also provides consequential amendments to other standards to bring consistency in treatments.

Some of the significant revisions to the standard are as follows:

- i. Revised conceptual framework is now an integral part of the AAOIFI FASs;
- ii. Concept of comprehensive income has been introduced, with the option to prepare one statement that is a combination of statement of income and statement of other comprehensive income, or to prepare the two statements separately. The Company elected to prepare the one statement that is a combination of statement of income and statement of other comprehensive income;
- iii. Institutions other than Banking institutions are allowed to classify assets and liabilities as current and non current;
- iv. Treatment for change in accounting policies, change in estimates and correction of errors has been introduced;
- v. Disclosures of related parties, subsequent events and going concern have been improved;
- vi. Improvement in reporting for foreign currency and segment reporting; and
- vii. Presentation and disclosure requirements have been divided into three parts. First part is applicable to all institutions, second part is applicable only to Islamic banks and similar IFIs and third part prescribes the authoritative status, effective date and amendments to other AAOIFI FASs.

- **FAS 40 - Financial Reporting for Islamic Finance Windows**

The objective of this standard is to establish financial reporting requirements for Islamic financial services offered by conventional financial institutions (in form of Islamic finance windows).

This standard shall be applicable to all conventional financial institutions providing Islamic financial services through an Islamic finance window, provided that such institutions opt to apply the standard in its entirety.

**2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)**

**(c) Significant accounting policies (continued)**

**New standards, amendments and interpretations issued but not yet effective**

• **FAS 42 - Presentation and Disclosures in the Financial Statements of Takaful Institutions**

This standard aims to prescribe and improve the presentation and disclosure requirements for the financial statements of Takaful institutions, in line with the global best practices and to reflect the business model of the Takaful institutions in a fair and more understandable manner. This standard will supersede FAS 12 “General Presentation and Disclosures in the Financial Statements of Islamic Insurance Companies”.

Management is expecting that adoption of this standard will have material impact on the financial statements of the Company however, management is in the process of assessing the impact.

This standard shall be effective on the annual financial statements of the Takaful institutions beginning on or after 01 January 2025. Early adoption of the standard is permitted if adopted alongside FAS 43 “Accounting for Takaful: Recognition and Measurement”, provided that FAS 1 “General Presentation and Disclosures in the Financial Statements” has already been adopted or is simultaneously adopted.

• **FAS 43 - Accounting for Takaful: Recognition and Measurement**

Objectives of this standard is to set out the principles for the recognition and measurement of Takaful arrangements. The standard shall be applicable to the Takaful institutions and their managed participants’ Takaful fund (PTF) and managed participants’ investment fund (PIF) in respect of Takaful arrangements, re-Takaful arrangements, investment contracts with participants with or without discretionary features and ancillary transactions. This standard supersedes FAS 13 “Disclosure of Bases for Determining and Allocation Surplus or Deficit in Islamic Insurance Companies”, FAS 15 “Provisions and Reserves in Islamic Insurance Companies” and FAS 19 “Contributions in Islamic Insurance Companies”.

Management is expecting that adoption of this standard will have material impact on the financial statements of the Company however, management is in the process of assessing the impact.

This standard shall be effective on the financial statements of the Takaful institutions for the annual financial reporting period beginning on or after 01 January 2025. Early adoption of the standard is permitted if adopted alongside FAS 42 – “Presentation and Disclosures in the Financial Statements of Takaful Institutions”

• **FAS 45 - Quasi-Equity (Including Investment Accounts)**

This standard prescribes the principles of financial reporting related to the participatory investment instruments (including investment accounts) in which an Islamic financial institution controls the underlying assets (mostly, as a working partner), on behalf of the stakeholders other than the owners’ equity. Such instruments (including, in particular, the unrestricted investment accounts) normally qualify for on-balance-sheet accounting and are reported as quasi-equity. This standard also provides the overall criteria for on-balance-sheet accounting for participatory investment instruments and quasi-equity, as well as, pooling, recognition, derecognition, measurement, presentation and disclosure for quasi-equity. It further addresses financial reporting related to other quasi-equity instruments and certain specific issues. This standard shall be effective for the financial reporting periods beginning on or after 1 January 2026.

The concept of quasi-equity has been introduced in FAS 1 “General Presentation and Disclosures in the Financial Statements (Revised 2021)”. The Company shall address the requirements of FAS 45 “Quasi-Equity (Including Investment Accounts)” on the effective date of the standard.



## NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the three-month period ended 31 March 2024

**2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)****(c) Significant accounting policies (continued)****New standards, amendments and interpretations issued but not yet effective (continued)**

- FAS 46 - Off-Balance sheet Assets Under Management**

This standard prescribes the criteria for characterisation of off-balance sheet assets under management, and the related principles of financial reporting in line with the “AAOIFI Conceptual Framework for Financial Reporting”. The standard encompasses the aspects of recognition, derecognition, measurement, selection and adoption of accounting policies, related to off-balance-sheet assets under management, as well as certain specific aspects of financial reporting such as impairment and onerous commitments by the institution. The standard also includes the presentation and disclosure requirements particularly aligning the same with the requirements of the revised FAS 1” General Presentation and Disclosures in the Financial Statements” in respect of the statement of changes in off-balance sheet assets under management. This standard, along with, FAS 45 “Quasi-Equity (Including Investment Accounts)” supersedes the earlier FAS 27 “Investment Accounts”. This standard shall be effective for the financial periods beginning on or after 1 January 2026 and shall be adopted at the same time of adoption of FAS 45 “Quasi-Equity (Including Investment Accounts)”.

- FAS 47 - Transfer of Assets Between Investment Pools**

This standard prescribes the financial reporting principles and disclosure requirements applicable to all transfers between investment pools related to (and where material, between significant categories of) owners’ equity, quasi-equity and off-balance sheet assets under management of an institution. It requires adoption and consistent application of accounting policies for such transfers in line with Shari’ah principles and rules and describes general disclosure requirements in this respect. This standard shall be effective for the financial periods beginning on or after 1 January 2026 and supersedes the earlier FAS 21 “Disclosure on Transfer of Assets”.

Management anticipates that these new standards, interpretations, and amendments will be adopted in the financial statements as and when they are applicable and adoption of these new standards, interpretations, and amendments, except as highlighted in previous paragraphs, may have no material impact on the financial statements of the Company in the period of initial application.

**3 CASH AND BANK BALANCES**

For the purposes of interim statement of cash flows, cash and cash equivalents include cash on hand and in banks and term deposits with original maturities of three months or less. Cash and cash equivalents at the end of the financial period as shown in the interim statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	<i>31 March 2024 QR (Reviewed)</i>	<i>31 December 2023 QR (Audited)</i>
<b>Shareholders:</b>		
Investment deposits (Islamic banks)	16,400,000	44,900,000
Saving accounts (Islamic banks)	2,767,868	5,247,468
Current accounts	23,295,908	538,241
<b>Total</b>	<u>42,463,776</u>	<u>50,685,709</u>
<b>Policyholders:</b>		
Investment deposits (Islamic banks)	87,000,006	69,000,006
Saving accounts (Islamic banks)	5,235,444	4,123,828
Current accounts (Islamic banks)	33,418,535	3,766,710
<b>Total</b>	<u>125,653,985</u>	<u>76,890,544</u>
<b>Total cash and bank balances</b>	<b>168,117,761</b>	127,576,253
Less: deposits with original maturity over ninety days	<u>(92,800,000)</u>	<u>(86,900,000)</u>
<b>Total cash and cash equivalents</b>	<u><u>75,317,761</u></u>	<u><u>40,676,253</u></u>

## NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the three-month period ended 31 March 2024

**3 CASH AND BANK BALANCES (CONTINUED)**

- Investment deposits earn profit at annual rates ranging from 5.50% to 6.10% (31 March 2023: 4.00% to 5.25%) and maturing during the next twelve months.
- Saving accounts earn profit at rates ranging from 0.65% to 0.75% (31 March 2023: 0.50% to 0.65%).
- Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. Management of the Company has assessed loss allowance as at reporting date and have adjusted the loss allowance accordingly.

**4 FINANCIAL INVESTMENTS****a. Investments at fair value through equity**

	<i>Policyholders QR</i>	<i>Shareholders QR</i>	<i>Total QR</i>
Sukuks through Managed Funds	415,467,309	324,876,981	740,344,290
Fair value reserve	<u>(17,959,410)</u>	<u>(9,775,217)</u>	<u>(27,734,627)</u>
<b>Investments at fair value through equity as at 31 March 2024 (Reviewed)</b>	<b><u>397,507,899</u></b>	<b><u>315,101,764</u></b>	<b><u>712,609,663</u></b>
Investments at fair value through equity as at 31 December 2023 (Audited)	<u>427,481,383</u>	<u>335,822,659</u>	<u>763,304,042</u>

*Notes:*

During the period, the Company has recorded reversal of impairment of QR 154,790 (31 March 2023: QR 93,640) for policyholders and QR 148,274 (31 March 2023: QR 70,226) for shareholders, respectively.

As of reporting date, provision for expected credit loss for policyholders and shareholders amounted to QR 641,012 (31 December 2023: QR 896,644) and QR 330,891 (31 December 2023: QR 743,832) respectively, which is netted off against the investment value.

**b. Investments at fair value through income statement**

Investments classified at fair value through income statement are presented in the statement of financial position as follows:

	<i>31 March 2024</i>		<i>31 December 2023</i>	
	<i>Policyholders QR</i>	<i>Shareholders QR</i>	<i>Policyholders QR</i>	<i>Shareholders QR</i>
Sukuks through Managed funds	<u>11,554,691</u>	<u>19,724,059</u>	<u>11,475,535</u>	<u>19,497,979</u>

*Note:*

The fair value of investments pledged against the Murabaha financing taken by the Company amounted to QR Nil (2023: QR 1,006,116).

The above investments of shareholders and policyholders are managed by reputed fund managers who take investment decisions on behalf of the Company.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the three-month period ended 31 March 2024

**5 TAKAFUL CONTRACT LIABILITIES AND RETAKAFUL CONTRACT ASSETS**

	<i>31 March 2024 QR (Reviewed)</i>	<i>31 December 2023 QR (Audited)</i>
<b><i>Gross takaful contract liabilities</i></b>		
Claims reported unsettled	<b>148,149,491</b>	140,313,126
Claims incurred but not reported	<b>34,511,633</b>	46,122,064
Unearned contributions	<b>341,776,500</b>	337,688,300
<b>Total</b>	<b>524,437,624</b>	524,123,490
<b><i>Retakaful share of takaful contract liabilities</i></b>		
Claims reported unsettled	<b>89,323,779</b>	84,974,885
Claims incurred but not reported	<b>15,058,304</b>	25,730,804
Unearned contributions	<b>22,424,429</b>	26,305,146
<b>Total</b>	<b>126,806,512</b>	137,010,835
<b><i>Net takaful contract liabilities</i></b>		
Claims reported unsettled	<b>58,825,712</b>	55,338,241
Claims incurred but not reported	<b>19,453,329</b>	20,391,260
Unearned contributions	<b>319,352,071</b>	311,383,154
<b>Total</b>	<b>397,631,112</b>	387,112,655

Damaan Islamic Insurance Company “BEEMA” (Q.P.S.C.)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2024

5 TAKAFUL CONTRACT LIABILITIES AND RETAKAFUL CONTRACT ASSETS (CONTINUED)

**Movement of incurred claims and retakafuls’ share**

	2024 (Reviewed)			2023 (Audited)		
	<i>Gross</i>	<i>Retakafuls’</i>	<i>Net</i>	<i>Gross</i>	<i>Retakafuls’</i>	<i>Net</i>
	<i>QR</i>	<i>Share</i>	<i>QR</i>	<i>QR</i>	<i>share</i>	<i>QR</i>
		<i>QR</i>			<i>QR</i>	
At 1 January						
Claims reported unsettled	140,313,126	(84,974,885)	55,338,241	141,934,667	(83,645,510)	58,289,157
Claims incurred but not reported	46,122,064	(25,730,804)	20,391,260	46,442,227	(26,853,543)	19,588,684
Total	186,435,190	(110,705,689)	75,729,501	188,376,894	(110,499,053)	77,877,841
<i>Movements during the period / year</i>						
Claims reported unsettled	7,836,365	(4,348,894)	3,487,471	(1,621,541)	(1,329,375)	(2,950,916)
Claims incurred but not reported	(11,610,431)	10,672,500	(937,931)	(320,163)	1,122,739	802,576
Total	(3,774,066)	6,323,606	2,549,540	(1,941,704)	(206,636)	(2,148,340)
At 31 March / December						
Claims reported unsettled	148,149,491	(89,323,779)	58,825,712	140,313,126	(84,974,885)	55,338,241
Claims incurred but not reported	34,511,633	(15,058,304)	19,453,329	46,122,064	(25,730,804)	20,391,260
Total	182,661,124	(104,382,083)	78,279,041	186,435,190	(110,705,689)	75,729,501

**Movement of unearned contributions and retakafuls’ share**

	2024 (Reviewed)			2023 (Audited)		
	<i>Gross</i>	<i>Re-takaful of</i>	<i>Net</i>	<i>Gross</i>	<i>Re-takaful of</i>	<i>Net</i>
	<i>QR.</i>	<i>liabilities</i>	<i>QR.</i>	<i>QR.</i>	<i>liabilities</i>	<i>QR.</i>
		<i>QR.</i>			<i>QR.</i>	
At January 1	337,688,300	(26,305,146)	311,383,154	315,345,602	(23,610,640)	291,734,962
Contributions written during the period / year	96,742,113	(16,503,583)	80,238,530	401,324,624	(91,671,641)	309,652,983
Contributions earned during the period / year	(92,653,913)	20,384,300	(72,269,613)	(378,981,926)	88,977,135	(290,004,791)
At 31 March / December	341,776,500	(22,424,429)	319,352,071	337,688,300	(26,305,146)	311,383,154



## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2024

**6 RELATED PARTY DISCLOSURES****(a) Transactions with related parties**

These represent transactions with related parties, i.e. parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions and directors of the Company and entities of which they are key management personnel. Pricing policies and terms of these transactions are approved by the Company management and are negotiated under normal commercial terms.

The following transactions were carried out with related parties:

	<i>31 March 2024 QR (Reviewed)</i>	<i>31 March 2023 QR (Reviewed)</i>
<b><i>Takaful contribution written</i></b>		
Qatar Islamic Bank Q.P.S.C. “shareholder”	42,790,120	32,621,803
Masraf Al Rayan Q.P.S.C. “shareholder”	1,705,429	1,973,677
Barwa Real Estate Company Q.P.S.C. “shareholder”	291,719	88,639
Q-Invest L.L.C. “shareholder”	2,049,372	4,333,331
Qatar Insurance Company Q.P.S.C. “shareholder”	1,101,332	931,471
	<u>47,937,972</u>	<u>39,948,921</u>
<b><i>Claims Paid</i></b>		
Qatar Islamic Bank Q.P.S.C. “shareholder”	11,267,411	8,314,128
Masraf Al Rayan Q.P.S.C. “shareholder”	216,426	79,137
Barwa Real Estate Company Q.P.S.C. “shareholder”	-	27,190
Q-Invest L.L.C. “shareholder”	6,442	33,809
Qatar Insurance Company Q.P.S.C. “shareholder”	256,951	303,479
	<u>11,747,230</u>	<u>8,757,743</u>
<b><i>(b) Due from related parties</i></b>		
	<i>31 March 2024 QR (Reviewed)</i>	<i>31 December 2023 QR (Audited)</i>
<b><i>Policyholders</i></b>		
Qatar Insurance Company Q.P.S.C. “shareholder”	7,570,200	6,796,575
Barwa Real Estate Company Q.P.S.C. “shareholder”	617,018	5,517,718
Q-Invest L.L.C. “shareholder”	2,161,741	2,071,765
Qatar Islamic Bank Q.P.S.C. “shareholder”	2,069,449	1,865,686
	<u>12,418,408</u>	<u>16,251,744</u>
<b><i>(c) Due to related parties</i></b>		
	<i>31 March 2024 QR (Reviewed)</i>	<i>31 December 2023 QR (Audited)</i>
<b><i>Policyholders</i></b>		
Masraf Al Rayan Q.P.S.C. “shareholder”	1,503,612	3,889,802
	<u>1,503,612</u>	<u>3,889,802</u>

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2024

## 6 RELATED PARTY DISCLOSURES (CONTINUED)

## (c) Due to related parties (continued)

	31 March 2024 QR (Reviewed)	31 December 2023 QR (Audited)
<i>Shareholders</i>		
Qatar Insurance Company Q.P.S.C. “shareholder”	6,143,464	6,174,565
	<u>6,143,464</u>	<u>6,174,565</u>

## (d) Compensation of key management personnel

	31 March 2024 QR (Reviewed)	31 March 2023 QR (Reviewed)
Short term benefits	389,632	1,096,350
Board of directors’ remuneration	500,000	934,372
Shari’a board remuneration	125,000	91,250
	<u>1,014,632</u>	<u>2,121,972</u>

# Damaan Islamic Insurance Company “BEEMA” (Q.P.S.C.)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2024

### 7 SEGMENT INFORMATION

#### a) Segment reporting by line of business

For the three-month period ended	<i>Reviewed</i>									
	<i>Marine and Aviation</i>		<i>Motor</i>		<i>Fire and General Accident</i>		<i>Takaful and Medical</i>		<i>Total</i>	
	<i>31 March 2024 QR</i>	<i>31 March 2023 QR</i>	<i>31 March 2024 QR</i>	<i>31 March 2023 QR</i>	<i>31 March 2024 QR</i>	<i>31 March 2023 QR</i>	<i>31 March 2024 QR</i>	<i>31 March 2023 QR</i>	<i>31 March 2024 QR</i>	<i>31 March 2023 QR</i>
Gross contributions	679,852	579,407	28,012,570	25,670,970	12,590,181	16,473,448	55,459,510	42,163,039	96,742,113	84,886,864
Re-Takaful share	(344,244)	(349,260)	(273,086)	(892,906)	(8,146,476)	(13,080,886)	(7,739,777)	(6,985,862)	(16,503,583)	(21,308,914)
<b>Net contributions</b>	<b>335,608</b>	230,147	<b>27,739,484</b>	24,778,064	<b>4,443,705</b>	3,392,562	<b>47,719,733</b>	35,177,177	<b>80,238,530</b>	63,577,950
Movement in unearned contribution - net	89,579	243,087	(3,001,070)	(2,568,225)	(1,892,689)	(1,053,365)	(3,164,737)	574,732	(7,968,917)	(2,803,771)
<b>Net earned contributions</b>	<b>425,187</b>	473,234	<b>24,738,414</b>	22,209,839	<b>2,551,016</b>	2,339,197	<b>44,554,996</b>	35,751,909	<b>72,269,613</b>	60,774,179
<b>Expenses:</b>										
Gross claims paid	(8,607)	(22,091)	(21,624,948)	(19,046,887)	(1,321,811)	(329,160)	(19,536,851)	(17,922,102)	(42,492,217)	(37,320,240)
Re-Takaful and other recoveries	6,184	11,282	6,987,802	6,390,084	233,718	117,924	6,312,399	7,449,466	13,540,103	13,968,756
Movement in outstanding claims and IBNR - net	(74,333)	(188,099)	32,478	(528,993)	(1,306,579)	(2,249,264)	(1,201,106)	(2,366,559)	(2,549,540)	(5,332,915)
Commission income	69,028	64,299	-	544	645,364	1,223,484	127,652	84,490	842,044	1,372,817
Commission expense	(109,696)	(53,859)	(3,220,736)	(2,371,999)	(1,404,153)	(655,651)	(10,977,583)	(9,992,910)	(15,712,168)	(13,074,419)
<b>Net takaful expenses</b>	<b>(117,424)</b>	(188,468)	<b>(17,825,404)</b>	(15,557,251)	<b>(3,153,461)</b>	(1,892,667)	<b>(25,275,489)</b>	(22,747,615)	<b>(46,371,778)</b>	(40,386,001)
<b>Surplus from takaful operations</b>	<b>307,763</b>	284,766	<b>6,913,010</b>	6,652,588	<b>(602,445)</b>	446,530	<b>19,279,507</b>	13,004,294	<b>25,897,835</b>	20,388,178

Damaan Islamic Insurance Company “BEEMA” (Q.P.S.C.)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2024

7 SEGMENT INFORMATION (CONTINUED)

b) Segment reporting by geographical location

For the three-month period ended	31 March 2024 (Reviewed)			31 March 2023 (Reviewed)		
	<i>Qatar QR</i>	<i>International QR</i>	<i>Total QR</i>	<i>Qatar QR</i>	<i>International QR</i>	<i>Total QR</i>
Gross contributions	93,009,433	3,732,680	96,742,113	84,886,864	-	84,886,864
Re-Takaful share	(15,374,577)	(1,129,006)	(16,503,583)	(21,308,914)	-	(21,308,914)
<b>Net contributions</b>	<b>77,634,856</b>	<b>2,603,674</b>	<b>80,238,530</b>	<b>63,577,950</b>	<b>-</b>	<b>63,577,950</b>
Movement in unearned contribution – net	(5,941,423)	(2,027,494)	(7,968,917)	(2,803,771)	-	(2,803,771)
<b>Net earned contributions</b>	<b>71,693,433</b>	<b>576,180</b>	<b>72,269,613</b>	<b>60,774,179</b>	<b>-</b>	<b>60,774,179</b>
<b>Expenses:</b>						
Gross claims paid	(42,492,217)	-	(42,492,217)	(37,320,240)	-	(37,320,240)
Re-Takaful and other recoveries	13,540,103	-	13,540,103	13,968,756	-	13,968,756
Movement in outstanding claims and IBNR - net	(2,002,686)	(546,854)	(2,549,540)	(5,332,915)	-	(5,332,915)
Commission income	842,044	-	842,044	1,372,817	-	1,372,817
Commission expense	(14,840,638)	(871,530)	(15,712,168)	(13,074,419)	-	(13,074,419)
<b>Net takaful expenses</b>	<b>(44,953,394)</b>	<b>(1,418,384)</b>	<b>(46,371,778)</b>	<b>(40,386,001)</b>	<b>-</b>	<b>(40,386,001)</b>
<b>Surplus from takaful operations</b>	<b>26,740,039</b>	<b>(842,204)</b>	<b>25,897,835</b>	<b>20,388,178</b>	<b>-</b>	<b>20,388,178</b>



Damaan Islamic Insurance Company “BEEMA” (Q.P.S.C.)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2024

7 SEGMENT INFORMATION (CONTINUED)

c) Segment assets, liabilities and equity as at reporting date

	<i>31 March 2024 (Reviewed)</i>			<i>31 December 2023 (Audited)</i>		
	<i>Qatar QR</i>	<i>International QR</i>	<i>Total QR</i>	<i>Qatar QR</i>	<i>International QR</i>	<i>Total QR</i>
<b>Policyholders’ assets</b>						
Insurance contract assets	<b>126,693,611</b>	<b>112,901</b>	<b>126,806,512</b>	136,897,934	112,901	137,010,835
Assets (other than insurance funds)	<b>711,277,486</b>	<b>5,544,019</b>	<b>716,821,505</b>	701,607,477	2,699,602	704,307,079
<b>Total policyholders’ assets</b>	<b>837,971,097</b>	<b>5,656,920</b>	<b>843,628,017</b>	838,505,411	2,812,503	841,317,914
<b>Policyholders’ liabilities</b>						
Insurance contract liabilities	<b>518,956,022</b>	<b>5,481,602</b>	<b>524,437,624</b>	521,216,234	2,907,256	524,123,490
Liabilities (other than insurance funds)	<b>170,954,733</b>	<b>3,820,998</b>	<b>174,775,731</b>	165,184,137	2,520,884	167,705,021
<b>Total policyholders’ liabilities</b>	<b>689,910,755</b>	<b>9,302,600</b>	<b>699,213,355</b>	686,400,371	5,428,140	691,828,511
<b>Total policyholders' surplus</b>	<b>148,060,342</b>	<b>(3,645,680)</b>	<b>144,414,662</b>	152,105,040	(2,615,637)	149,489,403

# Damaan Islamic Insurance Company “BEEMA” (Q.P.S.C.)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2024

### 8 GENERAL AND ADMINISTRATIVE EXPENSES

	<b>For the three-month period ended 31 March,</b>	
	<b>2024</b>	<b>2023</b>
	<b>QR.</b>	<b>QR.</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
Technical fee	266,378	174,909
Insurance expenses	618,910	557,676
Board of directors’ remuneration	500,000	934,372
IT, postage and telephone charges	48,912	559,694
Legal and professional fees	617,252	355,713
Repair and maintenance expenses	403,395	352,704
Subscription fees	-	86,760
Printing and stationery	55,092	75,431
Shari’a board remuneration	125,000	91,250
Amortization of right-of-use asset	-	61,849
Business promotion expenses	55,548	210,000
Other operating expenses (i)	331,146	434,227
	<b>3,021,633</b>	<b>3,894,585</b>

(i) Other operating expenses pertain to water, electricity and other expenses.

### 9 FAIR VALUES OF FINANCIAL INSTRUMENTS

The following table shows fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments carried at fair value. It does not include fair value hierarchy information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

As at 31 March 2024, the Company held the following classes of financial instruments measured at fair value:

<b>31 March 2024 (Reviewed)</b>	<b>Level 1 QR</b>	<b>Level 2 QR</b>	<b>Level 3 QR</b>	<b>Total QR</b>
- Investments at fair value through equity	712,609,663	-	-	712,609,663
- Investments at fair value through income statement	31,278,750	-	-	31,278,750
	<b>743,888,413</b>	<b>-</b>	<b>-</b>	<b>743,888,413</b>
<b>31 December 2023 (Audited)</b>	<b>Level 1 QR</b>	<b>Level 2 QR</b>	<b>Level 3 QR</b>	<b>Total QR</b>
- Investments at fair value through equity	763,304,042	-	-	763,304,042
- Investments at fair value through income statement	30,973,514	-	-	30,973,514
	<b>794,277,556</b>	<b>-</b>	<b>-</b>	<b>794,277,556</b>

During the period / year ended 31 March 2024 and 31 December 2023, there were no transfers between Level 1 and Level 3 fair value measurements.

When measuring the fair value of an asset or liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2024

**9 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)**

- Level 1: Quoted market price (unadjusted) in active markets for an identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**10 COMMITMENTS AND CONTINGENT LIABILITIES**

The Company had the following commitments and contingent liabilities outstanding:

	<i><b>31 March 2024 QR (Reviewed)</b></i>	<i><b>31 December 2023 QR (Audited)</b></i>
Bank guarantees	<b>19,600</b>	19,600
Performance bond	<b>3,110,457</b>	3,110,457
Tender bond	<b>1,943,533</b>	1,853,782
	<b><u>5,073,590</u></b>	<u>4,983,839</u>

**11 FINANCIAL RISK MANAGEMENT**

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

**12 BASIC AND DILUTED EARNINGS PER SHARE**

The basic and diluted earnings per share are calculated as follows:

	<i><b>31 March 2024 QR (Reviewed)</b></i>	<i><b>31 March 2023 QR (Reviewed)</b></i>
<b>Earnings (QR.)</b>		
Earnings for the purposes of basic/diluted earnings per share being net profit attributable to owners of the Company	<b><u>16,155,896</u></b>	<u>13,669,950</u>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of basic/diluted earnings per share	<b>200,000,000</b>	200,000,000
Effect of change in the nominal value per shares (refer note 1)	<u>-</u>	<u>-</u>
Weighted average number of ordinary shares for the purposes of basic/diluted earnings per share	<b><u>200,000,000</u></b>	<u>200,000,000</u>
<b>Earnings per share (QR.)</b>		
Basic/Diluted earnings per share	<b><u>0.081</u></b>	<u>0.068</u>

**13 SHARI'A SUPERVISORY BOARD**

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