

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

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

**FOR THE SIX-MONTH PERIOD ENDED
30 JUNE 2024**

INTERIM CONDENSED FINANCIAL INFORMATION AND INDEPENDENT
AUDITOR’S REVIEW REPORT

For the six-month period ended 30 June 2024

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QR. 83053

RN: 174/JK/FY2025

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 30 June 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 six-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
7 August 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 30 June 2024

	Notes	30 June 2024 QR (Reviewed)	31 December 2023 QR (Audited)
Policyholders' assets			
Cash and bank balances	3	166,537,661	76,890,544
Investments at fair value through equity	4 (a)	400,610,532	427,481,383
Investments at fair value through income statement	4 (b)	11,585,285	11,475,535
Due from related parties	6 (b)	21,150,216	16,251,744
Retakaful contract assets	5	112,234,972	137,010,835
Property and equipment		5,172,672	6,214,446
Takaful and other receivables		184,500,142	165,993,427
Total policyholders' assets		901,791,480	841,317,914
Shareholders' assets			
Cash and bank balances	3	36,345,568	50,685,709
Investments at fair value through equity	4 (a)	323,623,511	335,822,659
Investments at fair value through income statement	4 (b)	19,667,011	19,497,979
Prepayments and other receivables		5,177,365	4,885,837
Due from policyholders		90,261,272	51,591,014
Right-of-use assets		2,783,188	2,845,037
Property and equipment		112,007,057	114,979,955
Total shareholders' assets		589,864,972	580,308,190
TOTAL ASSETS		1,491,656,452	1,421,626,104
Policyholders' liabilities			
Takaful contract liabilities	5	550,710,164	524,123,490
Due to related parties	6 (c)	183,911	3,889,802
Takaful and other payables		49,358,589	50,102,893
Murabaha finance		-	1,006,116
Due to shareholders		90,261,272	51,591,014
Distributable surplus payable		66,962,273	61,115,196
Total policyholders' liabilities		757,476,209	691,828,511
Policyholders' surplus			
Fair value reserve		(17,672,761)	(19,934,682)
Equalization reserve		90,000,000	90,000,000
Retained surplus		71,988,032	79,424,085
Total policyholders' surplus		144,315,271	149,489,403
Total policyholders' liabilities and surplus		901,791,480	841,317,914
Shareholders' liabilities			
Provisions and other payables		63,959,375	61,897,092
Due to related parties	6 (c)	6,069,246	6,174,565
Net Ijarah liability		2,952,995	2,973,442
Employees' end of service benefits		4,764,573	4,291,220
Total liabilities of shareholders		77,746,189	75,336,319
Shareholders' equity			
Share capital		200,000,000	200,000,000
Legal reserve		200,000,000	200,000,000
Fair value reserve		(9,211,186)	(11,557,398)
Retained earnings		121,329,969	116,529,269
Total shareholders' equity		512,118,783	504,971,871
Total shareholders' liabilities and equity		589,864,972	580,308,190
TOTAL LIABILITIES, POLICYHOLDERS' SURPLUS AND SHAREHOLDERS' EQUITY		1,491,656,452	1,421,626,104

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

Nasser Rashid Al Mishnd
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

07 AUG 2024

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Purposes Only

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

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

For the six-month period ended 30 June 2024

	Note	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2024	2023	2024	2023
		QR (Reviewed)	QR (Reviewed)	QR (Reviewed)	QR (Reviewed)
Gross contributions	7	143,475,062	109,322,727	240,217,175	194,209,591
Re-Takaful share	7	(28,689,992)	(27,044,604)	(45,193,575)	(48,353,518)
Net contributions		114,785,070	82,278,123	195,023,600	145,856,073
Movement in unearned contribution – net	7	(28,067,905)	(12,928,423)	(36,036,822)	(15,732,194)
Net earned contributions		86,717,165	69,349,700	158,986,778	130,123,879
Gross claims paid	7	(39,977,661)	(48,398,113)	(82,469,878)	(85,718,353)
Re-Takaful and other recoveries	7	18,831,578	21,472,397	32,371,681	35,441,154
Movement in outstanding claims and IBNR – net	7	(12,776,175)	2,690,741	(15,325,715)	(2,642,174)
Commission income	7	804,067	836,076	1,646,111	2,208,890
Commission expense	7	(21,526,393)	(14,180,056)	(37,238,561)	(27,254,475)
Net takaful expenses		(54,644,584)	(37,578,955)	(101,016,362)	(77,964,958)
Surplus from Takaful operations	7	32,072,581	31,770,745	57,970,416	52,158,921
Depreciation of property and equipment		(557,228)	-	(1,041,773)	-
Fair value gain/(loss) on investment at fair value through income statement		34,235	9,191	109,751	(73,255)
Reversal/(provision) for impairment of investment at fair value through equity		32,664	137,663	187,454	231,303
Investment income		5,770,610	4,632,882	9,393,226	9,077,022
Investment expenses		(365,464)	(62,370)	(728,215)	(596,827)
Mudarib share		(3,829,907)	(2,830,419)	(6,273,006)	(5,182,946)
Wakala fees		(31,983,933)	(27,113,065)	(57,197,017)	(48,421,361)
Other income		(28)	1,841,237	2,099,720	2,874,284
Other expenses		(1,559,570)	(1,642,819)	(3,133,119)	(2,516,527)
Total surplus for the period		(386,040)	6,743,045	1,387,437	7,550,614
OTHER COMPREHENSIVE INCOME					
Items that may be subsequently reclassified to statement of Policyholders' revenue and expenses					
Net change in fair value of debt-type instruments designated at fair value through other comprehensive income		286,649	380,853	2,261,921	4,721,122
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(99,391)	7,123,898	3,649,358	12,271,736

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DELOITTE & TOUCHE
Doha - Qatar
8.7. AUG. 2024
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Damaan Islamic Insurance Company "BEEMA" (Q.P.S.C.)

INTERIM STATEMENT OF POLICYHOLDERS' SURPLUS

For the six-month period ended 30 June 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	7,550,614	-	-	7,550,614
Distribution to policyholders during the period	(8,868,678)	-	-	(8,868,678)
Net change in fair value of investment at fair value through equity	-	4,721,122	-	4,721,122
Balance at 30 June 2023 (Reviewed)	<u>60,019,872</u>	<u>(25,015,238)</u>	<u>90,000,000</u>	<u>125,004,634</u>
Balance as at 1 January 2024 (Audited)	79,424,085	(19,934,682)	90,000,000	149,489,403
Surplus for the period	1,387,437	-	-	1,387,437
Distribution to policyholders during the period	(8,823,490)	-	-	(8,823,490)
Net change in fair value of investment at fair value through equity	-	2,261,921	-	2,261,921
Balance at 30 June 2024 (Reviewed)	<u>71,988,032</u>	<u>(17,672,761)</u>	<u>90,000,000</u>	<u>144,315,271</u>

DELOITTE & TOUCHE
Doha - Qatar
07 AUG 2024
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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

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

INTERIM SHAREHOLDERS' INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME

For the six-month period ended 30 June 2024

	<i>For the three-month period ended 30 June</i>		<i>For the six-month period ended 30 June</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
Note	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Income				
Income from shareholders' investments	3,346,923	3,087,757	6,708,317	6,577,385
Wakala fee	31,983,933	27,113,065	57,197,017	48,421,361
Mudarib share	3,829,907	2,830,419	6,273,006	5,182,946
Other income	362,926	483,368	677,983	849,803
Total income	39,523,689	33,514,609	70,856,323	61,031,495
Staff costs	(8,673,830)	(8,176,203)	(19,389,014)	(15,928,573)
Depreciation of property and equipment	(1,733,937)	(1,708,054)	(3,122,031)	(3,138,410)
Fair value gain/(loss) on investment at fair value through income statement	64,210	10,010	169,033	(58,786)
Reversal for impairment of investment at fair value through equity	180	279,209	148,454	349,435
General and administrative expenses	8 (4,152,339)	(3,919,011)	(7,173,972)	(7,813,591)
Finance costs	(81,218)	(365,307)	(88,124)	(447,989)
Investment expenses	(301,951)	36,320	(599,969)	(652,058)
Total expenses	(14,878,885)	(13,843,036)	(30,055,623)	(27,689,972)
Profit before tax for the period	24,644,804	19,671,573	40,800,700	33,341,523
Tax expense	--	--	--	--
Net profit for the period	24,644,804	19,671,573	40,800,700	33,341,523
Basic/Diluted earnings per share in Qatari Riyal	12 0.123	0.098	0.204	0.167
OTHER COMPREHENSIVE INCOME				
Net profit for the period	24,644,804	19,671,573	40,800,700	33,341,523
Items that may be subsequently reclassified to shareholders' income statement				
Net change in fair value of debt-type instruments designated at fair value through other comprehensive income	564,031	843,923	2,346,212	4,082,092
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	25,208,835	20,515,496	43,146,912	37,423,615

DELOITTE & TOUCHE
Doha - Qatar

07 AUG 2024

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

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the six-month period ended 30 June 2024

	Share Capital QR	Legal reserve QR	Fair value Reserve QR	Retained earnings QR	Total QR
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	-	-	-	33,341,523	33,341,523
Net change in fair value of investment at fair value through equity	-	-	4,082,092	-	4,082,092
Dividends paid*	-	-	-	(32,000,000)	(32,000,000)
Balance at 30 June 2023 (Reviewed)	200,000,000	200,000,000	(14,844,446)	81,348,732	466,504,286
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	-	-	-	40,800,700	40,800,700
Net change in fair value of investment at fair value through equity	-	-	2,346,212	-	2,346,212
Dividends paid*	-	-	-	(36,000,000)	(36,000,000)
Balance at 30 June 2024 (Reviewed)	200,000,000	200,000,000	(9,211,186)	121,329,969	512,118,783

* 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 six-month period ended 30 June 2024

	<i>For the six-month period ended</i>	
	<i>30 June</i>	<i>30 June</i>
	<i>2024</i>	<i>2023</i>
	<i>QR</i>	<i>QR</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
OPERATING ACTIVITIES		
Shareholders' profit for the period	40,800,700	33,341,523
Policyholders' surplus for the period	1,387,437	7,550,614
	<u>42,188,137</u>	<u>40,892,137</u>
<i>Adjustments for:</i>		
Depreciation of property and equipment	4,163,804	3,138,410
Amortization of right-of-use assets	61,849	61,849
Net reversal of impairment of financial investments	(335,908)	(580,739)
Realized gain from investments	(16,101,543)	(15,654,407)
Loss / (gain) on disposal of property and equipment	2,574	(125,884)
Amortization of deferred cost	76,059	77,044
Fair value (gain) / loss on investments at fair value through income statement	(278,784)	132,041
Provision for employees' end of service benefits	729,085	327,125
Operating profit before changes in working capital	30,505,273	28,267,576
Change in due from related parties	(4,898,472)	5,649,669
Change in prepayments, takaful and other receivables	(18,798,243)	4,925,487
Change in due to related parties	(3,811,210)	(202,878,971)
Change in net takaful contract liabilities	51,362,537	18,374,368
Change in provisions, takaful and other payables	1,317,979	(17,797,717)
Net cash generated from / (used in) operations	55,677,864	(163,459,588)
Tax paid	-	(1,064,981)
Employees' end of service benefits paid	(255,732)	(147,346)
Net cash generated from / (used in) operating activities	55,422,132	(164,671,915)
INVESTING ACTIVITIES		
Acquisition of property and equipment	(152,556)	(1,432,519)
Proceeds from disposal of property and equipment	850	137,782
Acquisition of capital work in progress	-	(2,142,486)
Investment in fixed deposits	(51,385,818)	34,300,000
Net movement in investments	44,014,042	132,204,806
Realized gain from investments	16,101,543	15,654,407
Net cash generated from investing activities	8,578,061	178,721,990
FINANCING ACTIVITIES		
Policyholders' surplus paid during the period	(2,976,413)	(3,510,418)
Dividends paid	(36,000,000)	(32,000,000)
Repayment of gross Ijarah liability	(96,506)	(96,506)
Murabaha finance	(1,006,116)	(183,980,966)
Net cash used in financing activities	(40,079,035)	(219,587,890)
Net increase / (decrease) in cash and cash equivalents	23,921,158	(205,537,815)
Cash and cash equivalents at 1 January	40,676,253	278,817,003
CASH AND CASH EQUIVALENTS AT 30 JUNE (Note 3)	64,597,411	73,279,188

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

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six-month period ended 30 June 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 the 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 six-month period ended 30 June 2024 were approved by the Board of Directors on 7 August 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 six-month period ended 30 June 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.

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.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six-month period ended 30 June 2024

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>30 June 2024 QR (Reviewed)</i>	<i>31 December 2023 QR (Audited)</i>
Shareholders:		
Investment deposits (Islamic banks)	13,300,000	44,900,000
Saving accounts (Islamic banks)	4,373,661	5,247,468
Current accounts	18,671,907	538,241
Total	<u>36,345,568</u>	<u>50,685,709</u>
Policyholders:		
Investment deposits (Islamic banks)	131,355,824	69,000,006
Saving accounts (Islamic banks)	586,260	4,123,828
Current accounts (Islamic banks)	34,595,577	3,766,710
Total	<u>166,537,661</u>	<u>76,890,544</u>
Total cash and bank balances	202,883,229	127,576,253
Less: deposits with original maturity over ninety days	<u>(138,285,818)</u>	<u>(86,900,000)</u>
Total cash and cash equivalents	<u>64,597,411</u>	<u>40,676,253</u>

- Investment deposits earn profit at annual rates ranging from 5.25% to 6.10% (30 June 2023: 5.25% to 5.60%) and shall be maturing during the next twelve months.
- Saving accounts earn profit at rates ranging from 0.50% to 0.65% (30 June 2023: 0.50% to 0.70%).
- 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	418,283,293	332,834,697	751,117,990
Fair value reserve	<u>(17,672,761)</u>	<u>(9,211,186)</u>	<u>(26,883,947)</u>
Investments at fair value through equity as at 30 June 2024 (Reviewed)	<u>400,610,532</u>	<u>323,623,511</u>	<u>724,234,043</u>
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 187,454 (30 June 2023: QR 231,303) for policyholders and QR 148,454 (30 June 2023: QR 349,435) for shareholders, respectively.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six-month period ended 30 June 2024

4 FINANCIAL INVESTMENTS

a. Investments at fair value through equity (continued)

As of reporting date, provision for expected credit loss for policyholders and shareholders amounted to QR 608,348 (31 December 2023: QR 795,802) and QR 330,710 (31 December 2023: QR 479,165) 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>30 June 2024</i>		<i>31 December 2023</i>	
	<i>Policyholders</i>	<i>Shareholders</i>	<i>Policyholders</i>	<i>Shareholders</i>
	<i>QR</i>	<i>QR</i>	<i>QR</i>	<i>QR</i>
Sukuks through Managed funds	<u>11,585,285</u>	<u>19,667,011</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.

5 TAKAFUL CONTRACT LIABILITIES AND RETAKAFUL CONTRACT ASSETS

	<i>30 June 2024 QR (Reviewed)</i>	<i>31 December 2023 QR (Audited)</i>
<i>Gross takaful contract liabilities</i>		
Claims reported unsettled	143,653,608	140,313,126
Claims incurred but not reported	29,693,837	46,122,064
Unearned contributions	<u>377,362,719</u>	<u>337,688,300</u>
Total	<u>550,710,164</u>	<u>524,123,490</u>
<i>Retakaful share of takaful contract liabilities</i>		
Claims reported unsettled	74,583,249	84,974,885
Claims incurred but not reported	7,708,980	25,730,804
Unearned contributions	<u>29,942,743</u>	<u>26,305,146</u>
Total	<u>112,234,972</u>	<u>137,010,835</u>
<i>Net takaful contract liabilities</i>		
Claims reported unsettled	69,070,359	55,338,241
Claims incurred but not reported	21,984,857	20,391,260
Unearned contributions	<u>347,419,976</u>	<u>311,383,154</u>
Total	<u>438,475,192</u>	<u>387,112,655</u>

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2024

5 TAKAFUL CONTRACT LIABILITIES AND RETAKAFUL CONTRACT ASSETS (CONTINUED)

Movement of incurred claims and retakafuls' share	2024 (Reviewed)			2023 (Audited)		
	Gross QR	Share QR	Net QR	Gross QR	Retakafuls' share QR	Net QR
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
Movements during the period / year						
Claims reported unsettled	3,340,482	10,391,636	13,732,118	(1,621,541)	(1,329,375)	(2,950,916)
Claims incurred but not reported	(16,428,227)	18,021,824	1,593,597	(320,163)	1,122,739	802,576
Total	(13,087,745)	28,413,460	15,325,715	(1,941,704)	(206,636)	(2,148,340)
At 30 June / December						
Claims reported unsettled	143,653,608	(74,583,249)	69,070,359	140,313,126	(84,974,885)	55,338,241
Claims incurred but not reported	29,693,837	(7,708,980)	21,984,857	46,122,064	(25,730,804)	20,391,260
Total	173,347,445	(82,292,229)	91,055,216	186,435,190	(110,705,689)	75,729,501
Movement of unearned contributions and retakafuls' share	2024 (Reviewed)			2023 (Audited)		
	Gross QR	Re-takaful of liabilities QR	Net QR	Gross QR	Re-takaful of liabilities QR	Net QR
At January 1						
Contributions written during the period / year	337,688,300	(26,305,146)	311,383,154	315,345,602	(23,610,640)	291,734,962
Contributions earned during the period / year	240,217,175	(45,193,575)	195,023,600	401,324,624	(91,671,641)	309,652,983
	(200,542,756)	41,555,978	(158,986,778)	(378,981,926)	88,977,135	(290,004,791)
At 30 June / December	377,362,719	(29,942,743)	347,419,976	337,688,300	(26,305,146)	311,383,154

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 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:

	30 June 2024 QR (Reviewed)	30 June 2023 QR (Reviewed)
Takaful contribution written		
Qatar Islamic Bank Q.P.S.C. “shareholder”	105,619,675	81,667,402
Masraf Al Rayan Q.P.S.C. “shareholder”	13,807,867	15,192,767
Barwa Real Estate Company Q.P.S.C. “shareholder”	282,815	88,948
Q-Invest L.L.C. “shareholder”	2,062,246	4,351,387
Qatar Insurance Company Q.P.S.C. “shareholder”	1,951,746	3,024,694
	<u>123,724,349</u>	<u>104,325,198</u>
Claims Paid		
Qatar Islamic Bank Q.P.S.C. “shareholder”	15,992,046	16,457,247
Masraf Al Rayan Q.P.S.C. “shareholder”	940,930	156,681
Barwa Real Estate Company Q.P.S.C. “shareholder”	199,776	31,340
Q-Invest L.L.C. “shareholder”	6,442	243,876
Qatar Insurance Company Q.P.S.C. “shareholder”	1,093,510	656,307
	<u>18,232,704</u>	<u>17,545,451</u>
(b) Due from related parties		
	30 June 2024 QR (Reviewed)	31 December 2023 QR (Audited)
Policyholders		
Masraf Al Rayan Q.P.S.C. “shareholder”	582,903	-
Qatar Insurance Company Q.P.S.C. “shareholder”	3,975,052	6,796,575
Barwa Real Estate Company Q.P.S.C. “shareholder”	-	5,517,718
Q-Invest L.L.C. “shareholder”	11,033	2,071,765
Qatar Islamic Bank Q.P.S.C. “shareholder”	16,581,228	1,865,686
	<u>21,150,216</u>	<u>16,251,744</u>
(c) Due to related parties		
	30 June 2024 QR (Reviewed)	31 December 2023 QR (Audited)
Policyholders		
Masraf Al Rayan Q.P.S.C. “shareholder”	-	3,889,802
Barwa Real Estate Company Q.P.S.C. “shareholder”	183,911	-
	<u>183,911</u>	<u>3,889,802</u>

6 RELATED PARTY DISCLOSURES (CONTINUED)

(c) Due to related parties (continued)

	30 June 2024 QR (Reviewed)	31 December 2023 QR (Audited)
<i>Shareholders</i>		
Qatar Insurance Company Q.P.S.C. “shareholder”	6,069,246	6,174,565
	<u>6,069,246</u>	<u>6,174,565</u>

(d) Compensation of key management personnel

	30 June 2024 QR (Reviewed)	30 June 2023 QR (Reviewed)
Short term benefits	2,337,792	2,546,564
Board of directors’ remuneration	1,000,000	1,340,622
Shari’a board remuneration	250,000	182,500
	<u>3,587,792</u>	<u>4,069,686</u>

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2024

7 SEGMENT INFORMATION

a) Segment reporting by line of business

	Marine and Aviation			Motor			Reviewed			Takaful and Medical			Total		
	30 June			30 June			30 June			30 June			30 June		
	2024	2023	QR	2024	2023	QR	2024	2023	QR	2024	2023	QR	2024	2023	QR
For the six-month period ended	30 June	30 June	QR	30 June	30 June	QR	30 June	30 June	QR	30 June	30 June	QR	30 June	30 June	QR
Gross contributions	3,049,789	1,275,956		56,957,477	54,851,197		42,701,675	27,140,891		137,508,234	110,941,547		240,217,175	194,209,591	
Re-Takaful share	(761,912)	(709,234)		(970,555)	(1,156,812)		(16,860,328)	(21,520,978)		(26,600,780)	(24,966,494)		(45,193,575)	(48,353,518)	
Net contributions	2,287,877	566,722		55,986,922	53,694,385		25,841,347	5,619,913		110,907,454	85,975,053		195,023,600	145,856,073	
Movement in unearned contribution - net	(914,652)	6,775		(1,272,915)	(2,896,581)		(11,894,983)	(602,021)		(21,954,272)	(12,240,367)		(36,036,822)	(15,732,194)	
Net earned contributions	1,373,225	573,497		54,714,007	50,797,804		13,946,364	5,017,892		88,953,182	73,734,686		158,986,778	130,123,879	
Expenses:															
Gross claims paid	(50,978)	(253,258)		(42,750,762)	(40,598,244)		(2,488,816)	(5,335,212)		(37,179,322)	(39,531,639)		(82,469,878)	(85,718,353)	
Re-Takaful and other recoveries	27,934	50,421		16,836,082	15,581,367		1,090,048	4,317,009		14,417,617	15,492,357		32,371,681	35,441,154	
Movement in outstanding claims and IBNR - net	(1,752,260)	(140,246)		(4,271,205)	2,595,622		(6,875,021)	(8,520,339)		(2,427,229)	3,422,789		(15,325,715)	(2,642,174)	
Commission income	131,407	145,088		-	544		1,200,328	1,809,538		314,376	253,720		1,646,111	2,208,890	
Commission expense	(608,060)	(139,343)		(7,598,338)	(5,403,628)		(6,189,552)	(1,165,917)		(22,842,611)	(20,545,587)		(37,238,561)	(27,254,475)	
Net takaful expenses	(2,251,957)	(337,338)		(37,784,223)	(27,824,339)		(13,263,013)	(8,894,921)		(47,717,169)	(40,908,360)		(101,016,362)	(77,964,958)	
Surplus from takaful operations	(878,732)	236,159		16,929,784	22,973,465		683,351	(3,877,029)		41,236,013	32,826,326		57,970,416	52,158,921	

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2024

7 SEGMENT INFORMATION (CONTINUED)

	Marine and Aviation		Motor		Fire and General Accident		Takaful and Medical		Total	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	QR	QR	QR	QR	QR	QR	QR	QR	QR	QR
For the three-month period ended										
Gross contributions	2,369,937	696,549	28,944,907	29,180,227	30,111,494	10,667,443	82,048,724	68,778,508	143,475,062	109,322,727
Re-Takaful share	(417,668)	(359,974)	(697,469)	(263,906)	(8,713,852)	(8,440,092)	(18,861,003)	(17,980,632)	(28,689,992)	(27,044,604)
Net contributions	1,952,269	336,575	28,247,438	28,916,321	21,397,642	2,227,351	63,187,721	50,797,876	114,785,070	82,278,123
Movement in unearned contribution - net	(1,004,231)	(236,312)	1,728,155	(328,356)	(10,002,294)	451,344	(18,789,535)	(12,815,099)	(28,067,905)	(12,928,423)
Net earned contributions	948,038	100,263	29,975,593	28,587,965	11,395,348	2,678,695	44,398,186	37,982,777	86,717,165	69,349,700
Expenses:										
Gross claims paid	(42,371)	(231,167)	(21,125,814)	(21,551,357)	(1,167,005)	(5,006,052)	(17,642,471)	(21,609,537)	(39,977,661)	(48,398,113)
Re-Takaful and other recoveries	21,750	39,138	9,848,280	9,191,283	856,330	4,199,085	8,105,218	8,042,891	18,831,578	21,472,397
Movement in outstanding claims and IBNR - net	(1,677,927)	47,853	(4,303,683)	3,124,615	(5,568,442)	(6,271,075)	(1,226,123)	5,789,348	(12,776,175)	2,690,741
Commission income	62,379	80,789	-	-	554,964	586,054	186,724	169,230	804,067	836,076
Commission expense	(498,364)	(85,481)	(4,377,602)	(3,031,629)	(4,785,399)	(510,266)	(11,865,028)	(10,552,677)	(21,526,393)	(14,180,056)
Net takaful expenses	(2,134,533)	(148,868)	(19,958,819)	(12,267,088)	(10,109,552)	(7,002,254)	(22,441,680)	(18,160,745)	(54,644,584)	(37,578,955)
Surplus from takaful operations	(1,186,495)	(48,605)	10,016,774	16,320,877	1,285,796	(4,323,559)	21,956,506	19,822,032	32,072,581	31,770,745

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2024

7 SEGMENT INFORMATION (CONTINUED)

b) Segment reporting by geographical location

For the six-month period ended	30 June 2024 (Reviewed)			30 June 2023 (Reviewed)		
	<u>Qatar</u> <u>QR</u>	<u>International</u> <u>QR</u>	<u>Total</u> <u>QR</u>	<u>Qatar</u> <u>QR</u>	<u>International</u> <u>QR</u>	<u>Total</u> <u>QR</u>
Gross contributions	217,995,280	22,221,895	240,217,175	194,209,591	-	194,209,591
Re-Takaful share	(44,064,569)	(1,129,006)	(45,193,575)	(48,353,518)	-	(48,353,518)
Net contributions	173,930,711	21,092,889	195,023,600	145,856,073	-	145,856,073
Movement in unearned contribution – net	(25,071,886)	(10,964,936)	(36,036,822)	(15,732,194)	-	(15,732,194)
Net earned contributions	148,858,825	10,127,953	158,986,778	130,123,879	-	130,123,879
Expenses:						
Gross claims paid	(82,469,878)	-	(82,469,878)	(85,718,353)	-	(85,718,353)
Re-Takaful and other recoveries	32,371,681	-	32,371,681	35,441,154	-	35,441,154
Movement in outstanding claims and IBNR - net	(6,383,466)	(8,942,249)	(15,325,715)	(2,642,174)	-	(2,642,174)
Commission income	1,646,111	-	1,646,111	2,208,890	-	2,208,890
Commission expense	(31,628,890)	(5,609,671)	(37,238,561)	(27,254,475)	-	(27,254,475)
Net takaful expenses	(86,464,442)	(14,551,920)	(101,016,362)	(77,964,958)	-	(77,964,958)
Surplus from takaful operations	62,394,383	(4,423,967)	57,970,416	52,158,921	-	52,158,921

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2024

7 SEGMENT INFORMATION (CONTINUED)

For the three-month period ended	30 June 2024 (Reviewed)			30 June 2023 (Reviewed)		
	<u>Qatar</u> <u>QR</u>	<u>International</u> <u>QR</u>	<u>Total</u> <u>QR</u>	<u>Qatar</u> <u>QR</u>	<u>International</u> <u>QR</u>	<u>Total</u> <u>QR</u>
Gross contributions	124,985,847	18,489,215	143,475,062	109,322,727	-	109,322,727
Re-Takaful share	(28,689,992)	-	(28,689,992)	(27,044,604)	-	(27,044,604)
Net contributions	96,295,855	18,489,215	114,785,070	82,278,123	-	82,278,123
Movement in unearned contribution – net	(19,130,463)	(8,937,442)	(28,067,905)	(12,928,423)	-	(12,928,423)
Net earned contributions	77,165,392	9,551,773	86,717,165	69,349,700	-	69,349,700
Expenses:						
Gross claims paid	(39,977,661)	-	(39,977,661)	(48,398,113)	-	(48,398,113)
Re-Takaful and other recoveries	18,831,578	-	18,831,578	21,472,397	-	21,472,397
Movement in outstanding claims and IBNR - net	(4,380,780)	(8,395,395)	(12,776,175)	2,690,741	-	2,690,741
Commission income	804,067	-	804,067	836,076	-	836,076
Commission expense	(16,788,252)	(4,738,141)	(21,526,393)	(14,180,056)	-	(14,180,056)
	(41,511,048)	(13,133,536)	(54,644,584)	(37,578,955)	-	(37,578,955)
Net takaful expenses						
Surplus from takaful operations	35,654,344	(3,581,763)	32,072,581	31,770,745	-	31,770,745

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2024

7 SEGMENT INFORMATION (CONTINUED)

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

	30 June 2024 (Reviewed)			31 December 2023 (Audited)		
	<i>Qatar</i> <i>QR</i>	<i>International</i> <i>QR</i>	<i>Total</i> <i>QR</i>	<i>Qatar</i> <i>QR</i>	<i>International</i> <i>QR</i>	<i>Total</i> <i>QR</i>
Policyholders' assets						
Insurance contract assets	111,943,389	291,583	112,234,972	136,897,934	112,901	137,010,835
Assets (other than insurance funds)	<u>774,253,024</u>	<u>15,303,484</u>	<u>789,556,508</u>	<u>701,607,477</u>	<u>2,699,602</u>	<u>704,307,079</u>
Total policyholders' assets	<u>886,196,413</u>	<u>15,595,067</u>	<u>901,791,480</u>	<u>838,505,411</u>	<u>2,812,503</u>	<u>841,317,914</u>
Policyholders' liabilities						
Insurance contract liabilities	527,717,042	22,993,122	550,710,164	521,216,234	2,907,256	524,123,490
Liabilities (other than insurance funds)	<u>206,766,045</u>	<u>-</u>	<u>206,766,045</u>	<u>165,184,137</u>	<u>2,520,884</u>	<u>167,705,021</u>
Total policyholders' liabilities	<u>734,483,087</u>	<u>22,993,122</u>	<u>757,476,209</u>	<u>686,400,371</u>	<u>5,428,140</u>	<u>691,828,511</u>
Total policyholders' surplus	<u>151,713,326</u>	<u>(7,398,055)</u>	<u>144,315,271</u>	<u>152,105,040</u>	<u>(2,615,637)</u>	<u>149,489,403</u>

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2024

8 GENERAL AND ADMINISTRATIVE EXPENSES

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2024	2023	2024	2023
	QR.	QR.	QR.	QR.
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Technical fee	272,666	174,908	539,044	349,817
Insurance expenses	565,650	517,029	1,184,560	1,074,705
Board of directors' remuneration	500,000	406,250	1,000,000	1,340,622
IT charges, Postage, and telephone	291,400	1,185,850	340,312	1,745,544
Legal and professional fees	810,135	702,486	1,427,387	1,058,199
Repair and maintenance expenses	838,797	418,517	1,242,192	771,221
Subscription fees	-	93,623	-	180,383
Printing and stationery	52,321	81,852	107,413	157,283
Shari'a board remuneration	125,000	91,250	250,000	182,500
Amortization of right-of-use asset	61,849	-	61,849	61,849
Business promotion expenses	81,670	89,620	137,218	299,620
Other operating expenses (i)	552,851	157,626	883,997	591,848
	<u>4,152,339</u>	<u>3,919,011</u>	<u>7,173,972</u>	<u>7,813,591</u>

(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 30 June 2024, the Company held the following classes of financial instruments measured at fair value:

30 June 2024 (Reviewed)	Level 1 QR	Level 2 QR	Level 3 QR	Total QR
- Investments at fair value through equity	724,234,043	-	-	724,234,043
- Investments at fair value through income statement	31,252,296	-	-	31,252,296
	<u>755,486,339</u>	<u>-</u>	<u>-</u>	<u>755,486,339</u>
31 December 2023 (Audited)	Level 1 QR	Level 2 QR	Level 3 QR	Total QR
- 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
	<u>794,277,556</u>	<u>-</u>	<u>-</u>	<u>794,277,556</u>

During the period / year ended 30 June 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 six-month period ended 30 June 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>30 June 2024 QR (Reviewed)</i>	<i>31 December 2023 QR (Audited)</i>
Bank guarantees	19,600	19,600
Performance bond	3,206,303	3,110,457
Tender bond	3,323,783	1,853,782
	<u>6,549,687</u>	<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:

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2024	2023	2024	2023
	QR.	QR.	QR.	QR.
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Earnings (QR.)				
Earnings for the purposes of basic/diluted earnings per share being net profit attributable to owners of the Company	<u>24,644,804</u>	<u>19,671,573</u>	<u>40,800,700</u>	<u>33,341,523</u>
Number of shares				
Weighted average number of ordinary shares for the purposes of basic/diluted earnings per share	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>
Earnings per share (QR.)				
Basic/Diluted earnings per share	<u>0.123</u>	<u>0.098</u>	<u>0.204</u>	<u>0.167</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.