

**AL-AHLEIA INSURANCE COMPANY S.A.K.P.
AND ITS SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION
(UNAUDITED)**

30 JUNE 2021





Ernst & Young
Al Aiban, Al Osaimi & Partners
P.O. Box 74, Safat
13001 Safat, Kuwait
Baitak Tower, 18–20th Floor
Safat Square
Ahmed Al Jaber Street
Kuwait

Tel: +965 2295 5000 /
+965 2295 2880
Fax: +965 2245 6419

www.ey.com

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AL-AHLEIA INSURANCE COMPANY S.A.K.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al-Ahleia Insurance Company S.A.K.P. (the “Parent Company”) and its subsidiaries (collectively “the Group”) as at 30 June 2021, and the related interim condensed consolidated statement of income and interim condensed consolidated statement of comprehensive income for the three-months and six-months periods then ended, and the related interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-months period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34: Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Parent Company. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the six-months period ended 30 June 2021 that might have had a material effect on the business of the Parent Company or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No 7 of 2010 concerning the Capital Markets Authority and its related regulations during the six-months period ended 30 June 2021 that might have had a material effect on the business of the Parent Company or on its financial position.

WALEED A. AL OSAIMI
LICENCE NO. 68 A
EY
(AL AIBAN AL OSAIMI & PARTNERS)

11 August 2021
Kuwait

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

(UNAUDITED)

For the period ended 30 June 2021

	Notes	Three months ended 30 June		Six months ended 30 June	
		2021 KD	2020 KD	2021 KD	2020 KD
Revenues:					
Gross premiums written		37,185,477	31,024,006	77,233,726	65,015,311
Premiums ceded to reinsurers		(4,550,155)	(4,561,819)	(11,175,217)	(10,388,591)
Net premiums written		32,635,322	26,462,187	66,058,509	54,626,720
Movement in unearned premiums		(2,370,831)	(603,627)	(18,042,160)	(13,538,752)
Net premiums earned		30,264,491	25,858,560	48,016,349	41,087,968
Commission income on ceded reinsurance		1,168,858	1,380,793	2,960,837	3,062,862
Policy issuance fees		-	29,012	-	106,622
Investment income	5	2,040,384	2,379,856	4,515,864	4,466,269
Rental income from investment properties		199,028	172,759	384,225	363,367
Other income		120,961	80,303	259,274	67,409
Total revenues		33,793,722	29,901,283	56,136,549	49,154,497
Expenses:					
Net claims incurred		(14,587,048)	(10,778,847)	(28,985,236)	(21,515,822)
Commissions and premiums' acquisition costs		(3,643,102)	(3,220,250)	(7,128,297)	(6,012,191)
Movement in life mathematical reserve		(9,062,300)	(8,766,000)	(5,680,300)	(8,513,000)
Maturity and cancellation of life insurance policies		(43,508)	(86,339)	(206,460)	(359,131)
Investment property operating expenses		(13,886)	(6,003)	(27,327)	(28,201)
Administrative expenses		(1,937,272)	(2,160,936)	(4,541,276)	(3,790,071)
Impairment loss on available-for-sale financial assets	6	(663,852)	(1,328,106)	(933,852)	(2,062,806)
Impairment loss on receivables		-	(150,000)	-	(150,000)
Total expenses		(29,950,968)	(26,496,481)	(47,502,748)	(42,431,222)
Profit before share of results associates		3,842,754	3,404,802	8,633,801	6,723,275
Loss from disposal of investment in associate		-	-	(87,198)	-
Share of results of associates		402,763	135,422	(613,601)	513,570
PROFIT FOR THE PERIOD BEFORE CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES (KFAS), NATIONAL LABOUR SUPPORT TAX (NLST) AND ZAKAT		4,245,517	3,540,224	7,933,002	7,236,845
Contribution to Kuwait Foundation for the Advancement of Sciences (KFAS)		(37,606)	(28,199)	(73,706)	(60,301)
National Labour Support Tax (NLST)		(107,327)	(79,725)	(202,367)	(169,452)
Zakat		(42,925)	(31,890)	(80,941)	(67,781)
PROFIT FOR THE PERIOD		4,057,659	3,400,410	7,575,988	6,939,311
Attributable to:					
Equity holders of the Parent Company		3,798,733	3,272,603	7,462,569	6,568,169
Non-controlling interests		258,926	127,807	113,419	371,142
		4,057,659	3,400,410	7,575,988	6,939,311
BASIC AND DILUTED EARNINGS PER SHARE	3	17.53 fils	15.10 fils	34.44 fils	30.31 fils

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME (UNAUDITED)

For the period ended 30 June 2021

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
<i>Notes</i>	2021	2020	2021	2020
	KD	KD	KD	KD
Profit for the period	4,057,659	3,400,410	7,575,988	6,939,311
Other comprehensive income (loss)				
<i>Items that are or may be reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>				
<u>Available-for-sale financial assets:</u>				
Unrealized gain (loss) during the period	4,221,322	355,091	5,056,208	(4,713,860)
Recycling to the interim condensed consolidated statement of income for impairment	6 663,852	1,328,106	933,852	2,062,806
Reclassification to the interim condensed consolidated statement of income on disposal	5 (790,297)	(622,247)	(1,654,827)	(1,418,686)
Net gain (loss) on available-for-sale financial assets	4,094,877	1,060,950	4,335,233	(4,069,740)
<u>Investment in associate:</u>				
Share of fair value from investment in associates	52,261	(103,425)	181,054	(98,548)
<u>Foreign currency translation:</u>				
Exchange differences on translation on foreign operations	(93,807)	(171,976)	(299,088)	367,104
Other comprehensive income (loss) for the period	4,053,331	785,549	4,217,199	(3,801,184)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	8,110,990	4,185,959	11,793,187	3,138,127
Attributable to:				
Equity holders of the Parent Company	7,793,003	4,014,649	11,652,943	2,775,383
Non-controlling interests	317,987	171,310	140,244	362,744
	8,110,990	4,185,959	11,793,187	3,138,127

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.


Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2021

		30 June 2021 KD	(Audited) 31 December 2020 KD	30 June 2020 KD
ASSETS				
Property and equipment		3,434,470	3,534,812	3,635,427
Investment properties		11,816,618	11,818,076	11,823,642
Investment in associates		21,268,072	22,364,387	20,850,003
Financial assets held to maturity		25,718,405	29,099,299	22,476,578
Loans secured by life insurance policyholders		62,207	74,207	82,607
Available-for-sale financial assets	6	57,025,733	52,252,944	49,889,125
Financial assets at fair value through profit or loss		749,934	906,486	919,766
Receivables arising from reinsurance contracts and premium accruals		47,498,296	32,645,246	44,651,713
Reinsurance recoverable on outstanding claims		36,088,669	41,370,947	47,126,227
Premiums and insurance balances receivable		19,909,988	26,270,386	22,461,593
Accounts receivable and other debit balances		12,029,222	8,412,093	11,242,003
Term deposits	4	115,497,277	97,417,842	82,997,511
Bank balances and cash	4	7,093,835	9,498,300	11,640,472
TOTAL ASSETS		358,192,726	335,665,025	329,796,667
EQUITY AND LIABILITIES				
Equity				
Share capital	7	22,050,000	21,000,000	21,000,000
Statutory reserve		20,000,000	20,000,000	20,000,000
Voluntary reserve		20,000,000	20,000,000	20,000,000
Special voluntary reserve	8	16,000,000	16,000,000	15,000,000
Treasury shares	9	(1,278,932)	(1,278,932)	(1,278,932)
Treasury shares reserve		1,474,675	1,474,675	1,474,675
Fair value reserve		10,879,685	6,390,223	4,084,211
Foreign currency translation reserve		(242,797)	56,291	493,946
Retained earnings		32,068,135	30,815,016	26,198,518
Other reserve		137,818	137,818	139,036
Equity attributable to equity holders of the Parent Company		121,088,584	114,595,091	107,111,454
Non-controlling interests		11,002,534	10,938,335	10,295,010
Total equity		132,091,118	125,533,426	117,406,464
Liabilities				
Technical reserves arising from insurance and reinsurance contracts:				
Outstanding claims reserve		119,550,197	120,136,953	116,024,650
Unearned premiums reserve		44,847,395	26,805,235	39,499,681
Life mathematical reserve		17,794,300	12,114,000	16,114,000
Incurred but not reported reserve		22,214,247	18,939,238	18,864,037
Total technical reserves arising from insurance and reinsurance contracts		204,406,139	177,995,426	190,502,368
Insurance and reinsurance payables		9,336,346	19,673,410	10,090,260
Accounts payable and other credit balances		12,359,123	12,338,147	11,797,575
Premiums received in advance		-	124,616	-
Total liabilities		226,101,608	210,131,599	212,390,203
TOTAL EQUITY AND LIABILITIES		358,192,726	335,665,025	329,796,667

Ayman Abdullatif Al-Shayea
Chairman


Yousef Saad Al Saad
Chief Executive Officer

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2021

	Equity attributable to equity holders of the Parent Company											Non-controlling interests KD	Total equity KD
	Share capital KD	Statutory reserve KD	Voluntary reserve KD	Special voluntary reserve KD	Treasury shares KD	Treasury shares reserve KD	Fair value reserve KD	Foreign currency translation reserve KD	Retained earnings KD	Other reserve KD	Subtotal KD		
As at 1 January 2021 (Audited)	21,000,000	20,000,000	20,000,000	16,000,000	(1,278,932)	1,474,675	6,390,223	56,291	30,815,016	137,818	114,595,091	10,938,335	125,533,426
Profit for the period	-	-	-	-	-	-	-	-	7,462,569	-	7,462,569	113,419	7,575,988
Other comprehensive income (loss) for the period	-	-	-	-	-	-	4,489,462	(299,088)	-	-	4,190,374	26,825	4,217,199
Total comprehensive income (loss) for the period	-	-	-	-	-	-	4,489,462	(299,088)	7,462,569	-	11,652,943	140,244	11,793,187
Cash dividends (Note 14)	-	-	-	-	-	-	-	-	(5,159,450)	-	(5,159,450)	(76,045)	(5,235,495)
Bonus share issue (Note 14)	1,050,000	-	-	-	-	-	-	-	(1,050,000)	-	-	-	-
As at 30 June 2021	22,050,000	20,000,000	20,000,000	16,000,000	(1,278,932)	1,474,675	10,879,685	(242,797)	32,068,135	137,818	121,088,584	11,002,534	132,091,118
	Share capital KD	Statutory reserve KD	Voluntary reserve KD	Special voluntary reserve KD	Treasury Shares KD	Treasury shares reserve KD	Fair value reserve KD	Foreign currency translation reserve KD	Retained earnings KD	Other reserve KD	Subtotal KD	Non-controlling interests KD	Total equity KD
As at 1 January 2020 (Audited)	20,000,000	20,000,000	20,000,000	15,000,000	(1,278,932)	1,474,675	8,244,101	126,842	25,544,117	137,004	109,247,807	10,007,611	119,255,418
Profit for the period	-	-	-	-	-	-	-	-	6,568,169	-	6,568,169	371,142	6,939,311
Other comprehensive (loss) Income for the period	-	-	-	-	-	-	(4,159,890)	367,104	-	-	(3,792,786)	(8,398)	(3,801,184)
Total comprehensive (loss) Income for the period	-	-	-	-	-	-	(4,159,890)	367,104	6,568,169	-	2,775,383	362,744	3,138,127
Cash dividends (Note 14)	-	-	-	-	-	-	-	-	(4,913,768)	-	(4,913,768)	(70,387)	(4,984,155)
Bonus shares issue (Note 14)	1,000,000	-	-	-	-	-	-	-	(1,000,000)	-	-	-	-
Change of ownership percentage of a subsidiary	-	-	-	-	-	-	-	-	-	2,032	2,032	(4,958)	(2,926)
As at 30 June 2020	21,000,000	20,000,000	20,000,000	15,000,000	(1,278,932)	1,474,675	4,084,211	493,946	26,198,518	139,036	107,111,454	10,295,010	117,406,464

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2021

	Notes	Six months ended 30 June	
		2021 KD	2020 KD
OPERATING ACTIVITIES			
Profit before contribution to KFAS, NLST and Zakat		7,933,002	7,236,845
Adjustments to reconcile profit before contribution to KFAS, NLST, and Zakat:			
Depreciation of property and equipment		127,433	144,667
Share of results of associates		613,601	(513,570)
Loss from disposal of investment in associate		87,198	-
Gain on sale of available-for-sale financial assets	5	(1,654,827)	(1,418,686)
Impairment loss on available-for-sale financial assets	6	933,852	2,062,806
Interest income on bonds and term deposits	5	(1,828,598)	(2,155,438)
Dividend income	5	(950,121)	(808,858)
Income from funds	5	(82,318)	(83,287)
Impairment loss on receivables		-	150,000
Provision for employees' end of service benefits		456,762	123,212
		5,635,984	4,737,691
Changes in operating assets and liabilities:			
Receivables arising from reinsurance contracts and premium accruals		(14,923,760)	(12,677,696)
Reinsurance recoverable on outstanding claims		5,287,057	5,072,295
Premiums and insurance balances receivable		6,360,398	651,298
Accounts receivable and other debit balances		(3,243,713)	(2,397,870)
Net change in insurance and reinsurance contract liabilities		26,173,647	23,845,693
Insurance and reinsurance payables		(10,337,064)	(7,805,951)
Accounts payable and other credit balances		(877,878)	1,042,242
Premiums received in advance		(124,616)	(87,144)
		13,950,055	12,380,558
Cash flows from operations		(40,782)	(20,531)
Employees' end of service benefits paid			
Net cash flows from operating activities		13,909,273	12,360,027
INVESTING ACTIVITIES			
Purchase of property and equipment		(29,965)	(129,273)
Purchase of available-for-sale financial assets		(4,459,957)	(2,811,582)
Proceeds from sale of available-for-sale financial assets		4,793,219	4,811,006
Proceeds from investment in associates		404,520	-
Proceeds from investment at fair value through profit or loss		153,195	-
Purchase of financial assets held to maturity		(5,000,000)	(2,153,172)
Proceed from financial assets held to maturity		8,378,650	-
Net movement in loans secured by life insurance policyholders		12,000	25,700
Term deposits		(18,384,035)	(6,366,606)
Dividends received		950,121	805,887
Dividends received from investment in associates		64,843	-
Income received from funds		82,318	83,287
Interest income on bonds and term deposits received		1,463,589	1,646,871
Acquisition of non-controlling interest in a subsidiary		-	(2,926)
		(11,571,502)	(4,090,808)
Net cash flows used in investing activities		(11,571,502)	(4,090,808)
FINANCING ACTIVITIES			
Dividends paid		(5,109,635)	(3,867,206)
Net cash flows used in financing activities		(5,109,635)	(3,867,206)
Foreign currency translation adjustment		62,799	(46,528)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(2,709,065)	4,355,485
Cash and cash equivalents as at 1 January	4	9,802,900	7,284,987
CASH AND CASH EQUIVALENTS AS AT 30 JUNE	4	7,093,835	11,640,472

The attached notes 1 to 15 form part of this interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

1 CORPORATE INFORMATION

The Parent Company is a Kuwaiti Shareholding Company registered in 1962 under the Insurance Companies and Agents Law No. 24 of 1961 and its subsequent amendments. The Parent Company is principally engaged in various insurance and reinsurance activities, as set forth in the Parent Company's Articles of Association. The Parent Company's head office is located at Ahmad Al-Jaber street and its registered postal address is P. O. Box 1602, Safat 13017, Kuwait.

The interim condensed consolidated financial information of Al-Ahleia Insurance Company S.A.K.P. (the "Parent Company") and its subsidiaries – Kuwait Reinsurance Company K.S.C.P., and Trade Union Holding CO. B.S.C. (Closed), Bahrain, (collectively, the "Group") for the six-month period ended 30 June 2021 was authorized for issuance by the Board of Directors on 11 August 2021.

The consolidated financial statements of the Group for the year ended 31 December 2020 were approved by the shareholders of the Parent Company at the Annual General Assembly Meeting held on 23 March 2021.

The New Insurance Law issued on 1 September 2019 by Decree Law No. 125 of 2019 (the "Insurance Regulatory Law"), cancelled the Insurance Companies Law No. 24 of 1961. The Executive Regulations of the new amended law issued on 11 March 2021 and was published in the official Gazette on 21 March 2021. As per article two of the executive regulations, the companies have one year from the date of publishing the executive regulations to comply with the new amended law.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

The interim condensed consolidated financial information for the six-month period ended 30 June 2021 has been prepared in accordance with International Accounting Standard (IAS 34), *Interim Financial Reporting*.

The interim condensed consolidated financial information is presented in Kuwaiti Dinars (KD) which is the functional currency of the Parent Company.

The interim condensed consolidated financial information does not contain all information and disclosures required for full consolidated financial statements prepared in accordance with IFRS and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2020. In the opinion of management, all adjustments consisting of normal recurring accruals considered necessary for a fair presentation have been included. Operating results for the six months' period ended 30 June 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

2.1 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2021, but do not have an impact on the interim condensed consolidated financial information of the Group.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- ▶ A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.
- ▶ Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
- ▶ Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the interim condensed consolidated financial information of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

2.2 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's interim condensed consolidated financial information are listed below. The Group intends to adopt these standards when they become effective.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 *Insurance Contracts* (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 *Insurance Contracts* (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects.

The core of IFRS 17 is the general model, supplemented by:

- ▶ A specific adaptation for contracts with direct participation features (the variable fee approach).
- ▶ A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 on or before the date it first applies IFRS 17. The Group will apply these amendments when they become effective.

3 BASIC AND DILUTED EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	2021	2020	2021	2020 <i>(Restated)</i>
Profit for the period attributable to equity holders of the Parent Company (KD)	3,798,733	3,272,603	7,462,569	6,568,169
	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>	<i>Shares</i>
Weighted average number of ordinary shares outstanding during the period*	216,696,640	216,696,640	216,696,640	216,696,640
Basic and diluted earnings per share (fils)	17.53 fils	15.10 fils	34.44 fils	30.31 fils

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the period.

As there are no dilutive instruments outstanding, basic and diluted earnings per share are identical.

The basic and diluted earnings per share for the three months and six months periods ended 30 June 2020 have been restated to reflect the impact of bonus shares issued in 2021 (Note 14).

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

4 CASH AND CASH EQUIVALENTS

	30 June 2021 KD	<i>(Audited)</i> 31 December 2020 KD	30 June 2020 KD
Term deposits	115,497,277	97,417,842	82,997,511
Bank balances and cash	7,093,835	9,498,300	11,640,472
	122,591,112	106,916,142	94,637,983
Cash and short-term deposits			
Term deposits with original maturities of more than three months	(115,497,277)	(97,113,242)	(82,997,511)
Cash and cash equivalents	7,093,835	9,802,900	11,640,472

Term deposits amounting to KD 110,000 (31 December 2020: KD 110,000 and 30 June 2020: KD 900,090) are pledged as security to fulfill collateral requirements.

The carrying amounts disclosed above reasonably approximate fair value at the reporting date.

5 INVESTMENT INCOME

	<i>Three months ended</i> 30 June		<i>Six months ended</i> 30 June	
	2021 KD	2020 KD	2021 KD	2020 KD
Gain on sale of available-for-sale financial assets	790,297	622,247	1,654,827	1,418,686
Interest income on bonds and term deposits	912,784	1,094,406	1,828,598	2,155,438
Dividend income	296,303	624,079	950,121	808,858
Income from funds	41,000	39,124	82,318	83,287
	2,040,384	2,379,856	4,515,864	4,466,269

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

6 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	30 June 2021 KD	<i>(Audited)</i> 31 December 2020 KD	30 June 2020 KD
<i>Local equity securities:</i>			
Quoted	27,125,256	20,614,153	19,039,348
Unquoted	3,027,839	3,127,839	3,477,839
	30,153,095	23,741,992	22,517,187
<i>Foreign equity securities:</i>			
Quoted	1,782	-	-
Unquoted	10,105,833	11,212,989	11,418,523
	10,107,615	11,212,989	11,418,523
<i>Managed funds</i>			
Unquoted	16,491,659	17,004,248	15,659,700
	16,491,659	17,004,248	15,659,700
<i>Bonds</i>			
	273,364	293,715	293,715
	57,025,733	52,252,944	49,889,125

As at 30 June 2021, the management has performed a review of its available-for-sale financial assets to assess whether any impairment has occurred in their value. Accordingly, an impairment loss of KD 933,852 (31 December 2020: KD 4,610,526 and 30 June 2020: KD 2,062,806) has been recorded in the interim condensed consolidated statement of income for the period then ended.

7 SHARE CAPITAL

Authorized, issued and fully paid-up share capital consists of 220,500,000 shares of 100 fils each (31 December 2020: 210,000,000 shares of 100 fils and 30 June 2020: 210,000,000 shares of 100 fils each).

8 SPECIAL VOLUNTARY RESERVE

On 23 March 2021, the Ordinary Annual General Assembly of the shareholders of the Parent Company approved the transfer of an amount of KD 1,000,000 from the profit for the year ended 31 December 2020 to the special voluntary reserve.

9 TREASURY SHARES

	30 June 2021	<i>(Audited)</i> 31 December 2020	30 June 2020
Number of treasury shares	3,803,360	3,622,000	3,671,739
Percentage of issued shares (%)	1.72	1.72	1.72
Cost (KD)	1,278,932	1,278,932	1,278,932
Market value (KD)	1,935,910	1,651,632	1,505,413

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

9 TREASURY SHARES (continued)

Reserves amounting to KD 1,278,932 (31 December 2020: KD 1,278,932 and 30 June 2020: KD 1,278,932) equivalent to the cost of the treasury shares held, are not available for distribution during the holding period of such shares as per CMA guidelines.

The weighted average market price of the Parent Company's shares for the period ended 30 June 2021 is 473 fils per share (31 December 2020: 426 fils per share and 30 June 2020: 424 fils per share).

10 CAPITAL COMMITMENTS AND CONTINGENCIES

10.1 Commitments

As at 30 June 2021, the Group has commitments in respect of certain available-for-sale investment amounting to KD 3,579,041 (31 December 2020: KD 4,314,239 and 30 June 2020: KD 4,974,486).

10.2 Contingent liabilities

As at 30 June 2021, the Group's bankers have provided bank guarantees amounting to KD 1,523,986 (31 December 2020: KD 1,467,106 and 30 June 2020: KD 2,057,056) from which it is anticipated that no material liabilities will arise.

11 RELATED PARTY DISCLOSURES

Related parties represent i.e. major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Parent Company's management and the board of directors.

Transactions with related parties included in the interim condensed consolidated statement of income are, as follows:

*Six months period ended
30 June 2021*

	<i>Key management and board members KD</i>	<i>Associates KD</i>	<i>Parent Company's shareholders KD</i>	<i>Others KD</i>	<i>Total KD</i>
Gross premiums	32,273	486,502	667,824	4,676	1,191,275
Claims incurred	(126)	118,324	783,114	-	901,312

*Six months period ended
30 June 2020*

	<i>Key management and board members KD</i>	<i>Associates KD</i>	<i>Parent Company's shareholders KD</i>	<i>Others KD</i>	<i>Total KD</i>
Gross premiums	14,864	525,471	927,131	5,428	1,472,894
Claims incurred	-	52,632	448,015	-	500,647

Balances with related parties included in the interim condensed consolidated statement of financial position are, as follows:

30 June 2021	<i>Key management and board members KD</i>	<i>Associates KD</i>	<i>Parent Company's shareholders KD</i>	<i>Others KD</i>	<i>Total KD</i>
Premiums and insurance balances receivable	29,000	758,679	1,623,106	4,359	2,415,144
Other credit balances	269	-	3,361	375	4,005

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

11 RELATED PARTY DISCLOSURES (continued)

31 December 2020 (Audited)	<i>Key management and board members KD</i>	<i>Associates KD</i>	<i>Parent Company's shareholders KD</i>	<i>Others KD</i>	<i>Total KD</i>
Premiums and insurance balances receivable	24,016	501,969	2,556,689	8,684	3,091,358
Other credit balances	-	-	2,089	-	2,089

30 June 2020	<i>Key management and board members KD</i>	<i>Associates KD</i>	<i>Parent Company's shareholders KD</i>	<i>Others KD</i>	<i>Total KD</i>
Premiums and insurance balances receivable	23,274	779,387	2,431,351	4,179	3,238,191
Other credit balances	-	-	2,102	375	2,477

Key management personnel compensation:

Key management personnel

Key management personnel comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group.

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2021 KD</i>	<i>2020 KD</i>	<i>2021 KD</i>	<i>2020 KD</i>
Salaries and other short term benefits	177,698	323,902	509,528	488,961
Employees' end of service benefits	21,870	11,287	123,380	30,341
	199,568	335,189	632,908	519,302

On 22 February 2021, the Parent Company proposed board of directors' fees of KD 195,350 (2019: KD 180,680). This proposal was approved by the Annual Ordinary General Assembly Meeting of the Parent Company's shareholders on 23 March 2021.

The subsidiary's board of directors has proposed directors' fees of KD 185,495 (2019: KD 185,495) and was approved of the subsidiary's Annual Ordinary General Assembly Meeting on 21 March 2021.

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of available-for-sale financial assets, financial assets at fair value through profit or loss, financial assets held for maturity, loans secured by life insurance policyholders, premiums and insurance balances receivable, reinsurance recoverable on outstanding claims, accounts receivable and other debit balances, term deposits and bank balances and cash. Financial liabilities consist of insurance and reinsurance payables and accounts payable and other credit balances.

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

- ▶ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

12 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The fair values of financial instruments (financial assets and financial liabilities), with the exception of certain available-for-sale financial assets carried at cost amounting to KD 6,985,827 (31 December 2020: KD 8,527,453 and 30 June 2020: KD 9,004,568) are not materially different from their carrying values.

The following table provides the fair value measurement hierarchy of the Group's financial assets measured at fair value on a recurring basis:

	<i>Fair value measurement using</i>		
	<i>Quoted prices in active markets (Level 1) KD</i>	<i>Significant unobservable inputs (Level 3) KD</i>	<i>Total KD</i>
30 June 2021			
<i>Available-for-sale financial assets:</i>			
Quoted equity securities	27,127,038	-	27,127,038
Unquoted equity securities	-	6,823,214	6,823,214
Unquoted managed funds	-	16,089,654	16,089,654
Total	<u>27,127,038</u>	<u>22,912,868</u>	<u>50,039,906</u>
<i>Financial assets at fair value through profit or loss:</i>			
Unquoted equity securities	-	749,934	749,934
<i>Investment Properties</i>	-	11,816,618	11,816,618
31 December 2020 (Audited)			
<i>Available-for-sale financial assets:</i>			
Quoted equity securities	20,614,153	-	20,614,153
Unquoted equity securities	-	6,625,324	6,625,324
Unquoted managed funds	-	16,486,014	16,486,014
Total	<u>20,614,153</u>	<u>23,111,338</u>	<u>43,725,491</u>
<i>Financial assets at fair value through profit or loss:</i>			
Unquoted equity securities	-	906,486	906,486
<i>Investment Properties</i>	-	11,818,076	11,818,076

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

12 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	<i>Fair value measurement using</i>		
	<i>Quoted prices in active markets (Level 1) KD</i>	<i>Significant unobservable inputs (Level 3) KD</i>	<i>Total KD</i>
30 June 2020			
<i>Available-for-sale financial assets:</i>			
Quoted equity securities	19,039,348	-	19,039,348
Unquoted equity securities	-	6,748,026	6,748,026
Unquoted managed funds	-	15,097,183	15,097,183
Total	<u>19,039,348</u>	<u>21,845,209</u>	<u>40,884,557</u>
<i>Financial assets at fair value through profit or loss:</i>			
Unquoted equity securities	-	919,766	919,766
<i>Investment Properties</i>	-	11,823,642	11,823,642

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

12 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Reconciliation of recurring fair value measurement categorized within level three of the fair value hierarchy:

	<i>As at 1 January 2021 KD</i>	<i>Net result recorded in the interim condensed statement of comprehensive income KD</i>	<i>Remeasurement recognized in the interim condensed statement of income KD</i>	<i>Purchases(sales), net KD</i>	<i>As at 30 June 2021 KD</i>
30 June 2021					
<i>Available-for-sale financial assets:</i>					
Unquoted equity securities	6,625,324	(907,157)	-	1,105,047	6,823,214
Unquoted managed funds	16,486,014	723,326	(122,058)	(997,628)	16,089,654
	<u>23,111,338</u>	<u>(183,831)</u>	<u>(122,058)</u>	<u>107,419</u>	<u>22,912,868</u>
<i>Financial assets at fair value through profit or loss:</i>					
Unquoted equity securities	906,486	-	-	(156,552)	749,934
<i>Investment properties</i>	<u>11,818,076</u>	<u>-</u>	<u>(1,458)</u>	<u>-</u>	<u>11,816,618</u>

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

12 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Reconciliation of recurring fair value measurement categorized within level three of the fair value hierarchy (continued):

	<i>As at 1 January 2020 KD</i>	<i>Net result recorded in the consolidated statement of comprehensive income KD</i>	<i>Remeasurement recognized in the consolidated statement of income KD</i>	<i>Purchases (sales), net KD</i>	<i>As at 31 December 2020 KD</i>
<i>31 December 2020 (Audited)</i>					
<i>Available-for-sale financial assets:</i>					
Unquoted equity securities	6,673,509	(48,185)	-	-	6,625,324
Unquoted managed funds	15,873,903	827,856	(110,296)	(105,449)	16,486,014
	<u>22,547,412</u>	<u>779,671</u>	<u>(110,296)</u>	<u>(105,449)</u>	<u>23,111,338</u>
<i>Financial assets at fair value through profit or loss:</i>					
Unquoted equity securities	905,895	-	591	-	906,486
	<u>905,895</u>	<u>-</u>	<u>591</u>	<u>-</u>	<u>906,486</u>
<i>Investment properties</i>	11,821,378	-	(3,302)	-	11,818,076
	<u>11,821,378</u>	<u>-</u>	<u>(3,302)</u>	<u>-</u>	<u>11,818,076</u>

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

12 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	<i>As at 1 January 2020 KD</i>	<i>Net result recorded in the interim condensed consolidated statement of comprehensive income KD</i>	<i>Remeasurement recognized in the interim condensed consolidated statement of income KD</i>	<i>Purchases(sales), net KD</i>	<i>As at 30 June 2020 KD</i>
30 June 2020					
<i>Available-for-sale financial assets:</i>					
Unquoted equity securities	6,673,509	74,517	-	-	6,748,026
Unquoted managed funds	15,873,903	(339,225)	(4,614)	(432,881)	15,097,183
	<u>22,547,412</u>	<u>(264,708)</u>	<u>(4,614)</u>	<u>(432,881)</u>	<u>21,845,209</u>
<i>Financial assets at fair value through profit or loss:</i>					
Unquoted equity securities	905,895	-	13,871	-	919,766
<i>Investment properties</i>	<u>11,821,378</u>	<u>-</u>	<u>2,264</u>	<u>-</u>	<u>11,823,642</u>

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six months ended 30 June 2021.

Set out below are the significant unobservable inputs to valuation as at 30 June 2021:

	<i>Valuation technique</i>	<i>Significant unobservable inputs</i>	<i>Range</i>	<i>Sensitivity of the input to fair value</i>
Unquoted managed funds	Adjusted net assets value	Discount for lack of marketability	10%	An increase or (decrease) by 10% in the discount for lack of marketability would result in (decrease) or increase in fair value by KD 1,649 thousands.

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

13 SEGMENT INFORMATION

For management purposes, the Group is organized into business units based on their products and services and has four reportable segments: General risk insurance, life and medical insurance, reinsurance and investment. The following table presents revenue, results, assets, and liabilities information of the Group's reportable segments:

<i>30 June 2021</i>	<i>General risk insurance</i>			<i>Life and medical insurance</i> <i>KD</i>	<i>Reinsurance</i> <i>KD</i>	<i>Investment</i> <i>KD</i>	<i>Unallocated</i> <i>KD</i>	<i>Total</i> <i>KD</i>
	<i>Marine and aviation</i> <i>KD</i>	<i>Accidents</i> <i>KD</i>	<i>Fire</i> <i>KD</i>					
Segment revenue	<u>1,991,531</u>	<u>4,052,282</u>	<u>720,808</u>	<u>13,035,279</u>	<u>31,177,286</u>	<u>4,900,089</u>	<u>259,274</u>	<u>56,136,549</u>
Segment results	<u>1,032,420</u>	<u>1,269,258</u>	<u>275,266</u>	<u>374,650</u>	<u>3,658,192</u>	<u>1,391,456</u>	<u>(68,240)</u>	<u>7,933,002</u>
				<i>Life and medical insurance</i> <i>KD</i>	<i>Reinsurance</i> <i>KD</i>	<i>Investment</i> <i>KD</i>	<i>General risk insurance</i> <i>KD</i>	<i>Total</i> <i>KD</i>
Assets				<u>23,250,779</u>	<u>187,773,052</u>	<u>113,847,535</u>	<u>33,321,360</u>	<u>358,192,726</u>
Liabilities				<u>54,779,859</u>	<u>129,177,180</u>	<u>1,680</u>	<u>42,142,889</u>	<u>226,101,608</u>

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

13 SEGMENT INFORMATION (continued)

31 December 2020 (Audited)	<i>General risk insurance</i>			<i>Life and medical insurance KD</i>	<i>Reinsurance KD</i>	<i>Investment KD</i>	<i>Unallocated KD</i>	<i>Total KD</i>
	<i>Marine and aviation KD</i>	<i>Accidents KD</i>	<i>Fire KD</i>					
Segment revenue	3,727,311	7,356,827	1,639,515	17,165,224	50,701,607	9,108,035	593,746	90,292,265
Segment results	1,956,760	2,997,930	767,148	440,087	5,665,560	2,750,468	(369,968)	14,207,985
				<i>Life and medical insurance KD</i>	<i>Reinsurance KD</i>	<i>Investment KD</i>	<i>General risk insurance KD</i>	<i>Total KD</i>
Assets				15,707,845	159,936,036	108,346,958	51,674,186	335,665,025
Liabilities				46,691,625	104,446,724	603	58,992,647	210,131,599

Al-Ahleia Insurance Company S.A.K.P. and its Subsidiaries

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As at and for the period ended 30 June 2021

13 SEGMENT INFORMATION (continued)

30 June 2020	<i>General risk insurance</i>			<i>Life and medical insurance</i> KD	<i>Reinsurance</i> KD	<i>Investment</i> KD	<i>Unallocated</i> KD	<i>Total</i> KD
	<i>Marine and aviation</i> KD	<i>Accidents</i> KD	<i>Fire</i> KD					
Segment revenue	1,901,582	3,547,324	720,530	14,563,306	23,524,710	4,829,636	67,409	49,154,497
Segment results	759,629	1,236,824	218,659	689,040	3,231,142	1,425,329	(323,778)	7,236,845
Assets				23,442,039	163,759,283	96,700,235	45,895,110	329,796,667
Liabilities				50,270,450	110,881,843	3,220	51,234,690	212,390,203

14 ANNUAL GENERAL ASSEMBLY (AGM) and EXTRA-ORDINARY GENERAL ASSEMBLY (EGM)

The General Assembly meeting of the shareholders of the Parent Company held on 23 March 2021 approved the consolidated financial statements for the year ended 31 December 2020 and approved the cash dividends of 25% for the year ended 31 December 2020 (31 December 2019: 25%), totaling to KD 5,159,450 (31 December 2019: KD 4,913,768). Accordingly, cash dividends were recorded as dividends payable in the Parent Company's records as of the date of the Ordinary Annual General Assembly and was paid to the shareholders as starting from the payment date of 29 April 2021 which was defined in accordance with Capital Market Authority regulations.

During the period, the ordinary general assembly meeting ("AGM") of the Parent Company's shareholders held on 23 March 2021 also approved to a bonus shares issue of 5% (2019: 5%) of the authorised, issued, and fully paid share capital for the year ended 31 December 2020.

The extra-ordinary general assembly ("EGM") of the Parent Company's shareholders held on 23 March 2021 approved the increase of Parent Company's authorised, issued, and fully paid share capital by issuing 10,500,000 bonus shares (KD 1,050,000) at 5% of the authorised and paid-up share capital.

15 COVID IMPACT

The existence of novel coronavirus was confirmed in early 2020 and has spread globally, causing disruptions to businesses and economic activity. In light of the rapid spread of COVID-19 across the globe, various economies and sectors have faced significant disruptions and uncertainty as a result of measures taken by governments to contain or delay the spread of the virus. As of to date, the actual scope of the impact is very difficult to measure.

Recoverability of receivables

The COVID-19 outbreak led to an increase in the credit risk of companies within the economy as a result of operational disruption. Based on the management, the Group has not identified a material impact to the recoverability of receivables for the period ended 30 June 2021 except for what is disclosed in the interim condensed consolidated interim financial information in relation to the receivables of the Group.

Fair value measurement of financial instruments

COVID-19 outbreak led to significant market turmoil and price volatility on the global financial markets. The Group is closely monitoring whether the fair values of the financial assets and liabilities represent the price that would be achieved for transactions between market participants in the current scenario.

Based on the management, the Group has not identified a material impact to the fair values of financial assets and liabilities for the period ended 30 June 2021 except for what is disclosed in the condensed consolidated interim financial information under available for sale financial assets and financial assets at fair value through profit or loss.

Fair value measurement of investment properties

As the real estate market becomes slower moving, adjustments may be required to adjust the fair values of the properties in order to reflect the current economic circumstances.

The Group has not identified any significant impact to the fair values of investment properties for the period ended 30 June 2021 since the most recent external valuation performed in December 2020. The Group will consistently monitor the market and ensure that the prices used by the Group are an accurate representation of fair values.

Outstanding claims

The Group expected that there is no material impact on its risk position and provision balances for outstanding claims for the period ended 30 June 2021. It will continue monitoring its claims experience and the developments around the pandemic and revisit the assumptions and methodologies in future reporting periods.

15.1 Going concern

The Group has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital, and liquidity. The impact of COVID-19 may continue to evolve, but at the present time, the projections show that the Group has ample resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from 31 December 2020. As a result, the interim condensed consolidated financial information has been appropriately prepared on a going concern basis.

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over.

We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

The MENA practice of EY has been operating in the region since 1923. For more than 90 years, we have grown to more than 6,000 people united across 20 offices and 15 countries, sharing the same values and an unwavering commitment to quality. As an organization, we continue to develop outstanding leaders who deliver exceptional services to our clients and who contribute to our communities. We are proud of our accomplishments over the years, reaffirming our position as the largest and most established professional services organization in the region.

© 2017 EYGM Limited.
All Rights Reserved.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

ey.com/mena