

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

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

31 MARCH 2024



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 31 March 2024, and the related interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three months period then ended. The management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with 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, nor of the Parent Company's Memorandum of Incorporation and Articles of Association, as amended, during the three months period ended 31 March 2024 that might have had a material effect on the business of the Parent Company or on its financial position.

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

Report on Other Legal and Regulatory Requirements (continued)

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 material violations of the provisions of Law No 7 of 2010 concerning establishment of Capital Market Authority “CMA” and organization of security activity and its executive regulations, as amended, during the three-months period ended 31 March 2024 that might have had a material effect on the business of the Company or on its financial position.



ABDULKARIM ALSAMDAN
LICENCE NO. 208 A
EY
(AL AIBAN AL OSAIMI & PARTNERS)

9 May 2024
Kuwait

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
(UNAUDITED)

For the period ended 31 March 2024

	Notes	Three months ended 31 March	
		2024 KD	2023 KD
Revenue:			
Insurance revenue	4	32,136,198	29,227,114
Insurance service expenses	4	(20,553,086)	(22,783,749)
Insurance service result before reinsurance contracts held		11,583,112	6,443,365
Amounts recoverable from reinsurers for incurred claims	5	(308,747)	5,900,950
Net expense from reinsurance contracts held	5	(5,378,681)	(5,473,573)
Net (expense) income from reinsurance contracts held		(5,687,428)	427,377
Insurance service result		5,895,684	6,870,742
Finance expenses from insurance contracts issued	4	(1,316,930)	(1,676,991)
Finance income from reinsurance contracts held	5	528,861	518,172
Net insurance financial result		5,107,615	5,711,923
Net investment income	6	5,354,865	3,364,979
Rental income from investment properties		168,672	157,212
Investment property operating expenses		(16,083)	(17,039)
Unallocated general and administrative expenses		(1,024,397)	(829,077)
Net other income (expenses)		251,098	(165,854)
Foreign exchange differences		(310,545)	(38,313)
PROFIT FOR THE PERIOD BEFORE CONTRIBUTION TO ZAKAT, KFAS AND NLST		9,531,225	8,183,831
Contribution to KFAS		(95,594)	(58,812)
NLST		(230,356)	(163,637)
Zakat		(92,142)	(65,456)
PROFIT FOR THE PERIOD		9,113,133	7,895,926
Attributable to:			
Equity holders of the Parent Company		8,790,696	7,598,522
Non-controlling interests		322,437	297,404
PROFIT FOR THE PERIOD		9,113,133	7,895,926
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	7	40.57 fils	35.07 fils

The attached notes 1 to 16 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 31 March 2024

	<i>Three months ended</i>	
	<i>31 March</i>	
	2024	2023
	KD	KD
Profit for the period	9,113,133	7,895,926
Other comprehensive income (loss):		
<i>Items that are or may be subsequently reclassified to interim condensed consolidated statement of income:</i>		
Share of other comprehensive income (loss) from associates	321,471	(67,767)
Exchange difference on translation on foreign operation	32,335	37,171
	353,806	(30,596)
<i>Items that will not be subsequently reclassified to interim condensed consolidated statement of income:</i>		
- Change in fair value of financial assets at FVOCI	(19,903)	(8,133,187)
Other comprehensive income (loss) for the period	333,903	(8,163,783)
Total comprehensive income (loss) for the period	9,447,036	(267,857)
Attributable to:		
Equity holders of the Parent Company	9,124,820	(507,107)
Non-controlling interests	322,216	239,250
	9,447,036	(267,857)

The attached notes 1 to 16 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 31 March 2024

	Notes	31 March 2024 KD	(Audited) 31 December 2023 KD	31 March 2023 KD
ASSETS				
Cash and cash equivalent	8	9,106,850	8,181,168	14,837,421
Term deposits	8	174,739,538	169,337,160	146,582,714
Other assets		10,259,797	7,786,345	7,341,537
Insurance contract assets	4	145,241	5,363	1,413,042
Reinsurance contract assets	5	51,015,659	57,037,094	60,930,151
Debt instrument at amortised cost		44,094,769	44,097,711	37,494,444
Financial assets at fair value through other comprehensive income		19,693,831	18,478,724	18,517,793
Financial assets at fair value through profit or loss		32,097,142	29,339,851	26,436,379
Investment properties		11,834,859	11,834,859	11,816,517
Investments in associates		23,293,052	25,247,377	22,828,166
Property and equipment		3,314,097	3,315,316	3,252,973
TOTAL ASSETS		379,594,835	374,660,968	351,451,137
LIABILITIES AND EQUITY				
LIABILITIES				
Insurance contract liabilities	4	198,432,746	200,565,084	185,292,294
Reinsurance contract liabilities	5	6,605,304	5,948,840	8,320,313
Other liabilities		19,046,738	19,453,067	23,309,427
Total liabilities		224,084,788	225,966,991	216,922,034
Equity				
Share capital	9	22,050,000	22,050,000	22,050,000
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	10	19,000,000	19,000,000	18,000,000
Treasury shares	11	(1,278,932)	(1,278,932)	(1,278,932)
Treasury shares reserve		1,474,675	1,474,675	1,474,675
Cumulative changes in fair value reserve		(9,899,011)	(10,200,564)	(11,309,634)
Foreign currency translation reserve		567,735	535,400	308,029
Retained earnings		75,582,710	66,791,778	55,581,035
Other reserves		1,400,682	1,399,845	1,454,421
Equity attributable to the equity holders of the Parent Company		148,897,859	139,772,202	126,279,594
Non-controlling interests		6,612,188	8,921,775	8,249,509
Total Equity		155,510,047	148,693,977	134,529,103
TOTAL LIABILITIES AND EQUITY		379,594,835	374,660,968	351,451,137

Ayman Abdullatif Al-Shayea
Chairman

Yousef Saad Al Saad
Chief Executive Officer

The attached notes 1 to 16 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 31 March 2024

	<i>Equity attributable to equity holders of the Parent Company</i>											<i>Non-controlling interests</i> KD	<i>Total equity</i> KD
	<i>Share capital</i> KD	<i>Statutory Reserve</i> KD	<i>Voluntary reserve</i> KD	<i>Special voluntary reserve</i> KD	<i>Treasury Shares</i> KD	<i>Treasury shares reserve</i> KD	<i>Cumulative change in Fair value reserve</i> KD	<i>Foreign currency translation reserve</i> KD	<i>Retained earnings</i> KD	<i>Other reserves</i> KD	<i>Subtotal</i> KD		
Balance as at 1 January 2024	22,050,000	20,000,000	20,000,000	19,000,000	(1,278,932)	1,474,675	(10,200,564)	535,400	66,791,778	1,399,845	139,772,202	8,921,775	148,693,977
Profit for the period	-	-	-	-	-	-	-	-	8,790,696	-	8,790,696	322,437	9,113,133
Other comprehensive income (loss)	-	-	-	-	-	-	301,789	32,335	-	-	334,124	(221)	333,903
Total comprehensive income for the period	-	-	-	-	-	-	301,789	32,335	8,790,696	-	9,124,820	322,216	9,447,036
Change of ownership percentage of a subsidiary	-	-	-	-	-	-	-	-	-	837	837	(2,631,803)	(2,630,966)
Gain on disposal of investments at fair value through OCI	-	-	-	-	-	-	(236)	-	236	-	-	-	-
As at 31 March 2024	22,050,000	20,000,000	20,000,000	19,000,000	(1,278,932)	1,474,675	(9,899,011)	567,735	75,582,710	1,400,682	148,897,859	6,612,188	155,510,047

The attached notes 1 to 16 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) (continued)

For the period ended 31 March 2024

	<i>Equity attributable to equity holders of the Parent Company</i>											<i>Non-controlling interests</i> KD	<i>Total equity</i> KD
	<i>Share capital</i> KD	<i>Statutory reserve</i> KD	<i>Voluntary reserve</i> KD	<i>Special voluntary reserve</i> KD	<i>Treasury Shares</i> KD	<i>Treasury shares reserve</i> KD	<i>Cumulative change in Fair value reserve</i> KD	<i>Foreign currency translation reserve</i> KD	<i>Retained earnings</i> KD	<i>Other reserves</i> KD	<i>Subtotal</i> KD		
Balance as at 1 January 2023 after application of IFRS 17 (restated)	22,050,000	20,000,000	20,000,000	18,000,000	(1,278,932)	1,474,675	9,265,630	270,858	46,038,280	1,454,565	137,275,076	8,045,708	145,320,784
Impact of initial application of IFRS 9	-	-	-	-	-	-	(12,432,464)	-	10,612,099	-	(1,820,365)	(32,915)	(1,853,280)
Balance as at 1 January 2023 (restated)	22,050,000	20,000,000	20,000,000	18,000,000	(1,278,932)	1,474,675	(3,166,834)	270,858	56,650,379	1,454,565	135,454,711	8,012,793	143,467,504
Profit for the period	-	-	-	-	-	-	-	-	7,598,522	-	7,598,522	297,404	7,895,926
Other comprehensive (loss) income	-	-	-	-	-	-	(8,142,800)	37,171	-	-	(8,105,629)	(58,154)	(8,163,783)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(8,142,800)	37,171	7,598,522	-	(507,107)	239,250	(267,857)
Cash dividends (Note 12)	-	-	-	-	-	-	-	-	(8,667,866)	-	(8,667,866)	-	(8,667,866)
Change of ownership percentage of a subsidiary	-	-	-	-	-	-	-	-	-	(144)	(144)	(2,534)	(2,678)
As at 31 March 2023	22,050,000	20,000,000	20,000,000	18,000,000	(1,278,932)	1,474,675	(11,309,634)	308,029	55,581,035	1,454,421	126,279,594	8,249,509	134,529,103

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2024

	Notes	Three months ended 31 March	
		2024 KD	2023 KD
OPERATING ACTIVITIES			
Profit for the period before contribution to Zakat, KFAS and NLST		9,531,225	8,183,831
<i>Adjustments for:</i>			
Depreciation of property and equipment		32,192	28,230
Investment income	6	(5,354,865)	(3,364,979)
Rental income from investment properties		(168,672)	(157,212)
Provision of employees' end of service benefits		84,724	183,493
		<u>4,124,604</u>	<u>4,873,363</u>
<i>Changes in operating assets and liabilities:</i>			
Other assets		(1,230,915)	(999,933)
Insurance contract assets		(139,878)	14,740,692
Reinsurance contract assets		6,021,435	(4,312,959)
Insurance contract liabilities		(2,132,338)	7,383,295
Reinsurance contract liabilities		656,464	(13,253,288)
Other liabilities		(837,314)	(1,695,759)
		<u>6,462,058</u>	<u>6,735,411</u>
Cash flows from operations			
Employees' end of service benefits paid		(41,413)	(48,344)
		<u>6,420,645</u>	<u>6,687,067</u>
INVESTING ACTIVITIES			
Movement in time deposits		(5,402,378)	(1,743)
Net movement of loan secured by life insurance policies		-	10,000
Acquisition of non-controlling interest		886	(2,678)
Purchase of financial assets at fair value through profit or loss		(1,946,195)	(1,059,842)
Purchase of financial assets at fair value through OCI		(1,004,417)	-
Proceed from sale of financial assets at fair value through profit or loss		509,856	141,762
Purchase of property and equipment		(30,973)	(9,808)
Investment income received		2,198,106	1,526,594
Purchase of debt instruments at amortised cost		(11,710)	(12,201)
Proceeds of debt instruments at amortised cost		10,579	11,087
Rental income received		184,955	163,559
		<u>(5,491,291)</u>	<u>766,730</u>
FINANCING ACTIVITY			
Cash dividends paid		(30,419)	(9,593)
		<u>(30,419)</u>	<u>(9,593)</u>
Net cash flows used in financing activities			
		<u>26,747</u>	<u>(12,393)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS			
		<u>925,682</u>	<u>7,431,811</u>
Cash and cash equivalents at 1 January		8,181,168	7,405,610
		<u>9,106,850</u>	<u>14,837,421</u>
CASH AND CASH EQUIVALENTS AS AT 31 MARCH	8		

The attached notes 1 to 16 form part of this interim condensed consolidated financial information.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at and for the period ended 31 March 2024

1 ACTIVITIES

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 three-months period ended 31 March 2024 was authorized for issuance by the Board of Directors on -- May 2023.

The consolidated financial statements of the Group for the year ended 31 December 2023 were approved by the shareholders of the Parent Company at the Annual General Assembly Meeting held on 28 April 2024.

2 BASIS OF PREPARATION

Statement of compliance

The interim condensed consolidated financial information of the Group is prepared in accordance with International Accounting Standard (IAS 34), *Interim Financial Reporting (IAS 34)*. The interim condensed consolidated financial information is presented in Kuwaiti Dinars, 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 International Financial Reporting Standards (IFRS) and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023.

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

3 New standards, interpretations and amendments adopted by the Group

The accounting policies used in the preparation of the interim condensed consolidated financial information are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards and amendments effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's interim condensed consolidated financial information but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.

Other amendments to IFRS which are effective for annual accounting period starting from 1 January 2024 did not have any material impact on the accounting policies, financial position or performance of the Group.

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 31 March 2024

4 INSURANCE CONTRACT ASSETS/LIABILITIES

	31 March 2024					31 March 2023				
	Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)			Liabilities for remaining coverage (LRC)		Liabilities for incurred claims (LIC)		
	Excluding loss component KD	Loss component KD	Estimates of the present value of future cash flows KD	Risk adjustment KD	Total KD	Excluding loss component KD	Loss component KD	Estimates of the present value of future cash flows KD	Risk adjustment KD	Total KD
Opening liabilities	(17,015,049)	-	166,465,352	51,114,781	200,565,084	(5,973,924)	-	154,983,575	28,925,861	177,935,512
Opening assets	(5,141)	-	(166)	(56)	(5,363)	(16,893,475)	-	578,365	172,655	(16,142,455)
Net opening balance	(17,020,190)	-	166,465,186	51,114,725	200,559,721	(22,867,399)	-	155,561,940	29,098,516	161,793,057
ECL from IFRS 9 adoption	-	-	-	-	-	(1,400,000)	-	-	-	(1,400,000)
Net opening balance	(17,020,190)	-	166,465,186	51,114,725	200,559,721	(24,267,399)	-	155,561,940	29,098,516	160,393,057
Insurance revenue	(32,136,198)	-	-	-	(32,136,198)	(29,227,114)	-	-	-	(29,227,114)
<i>Insurance service expenses</i>										
Incurred claims and other directly attributable expenses	-	-	60,503,894	36,923,074	97,426,968	-	-	66,252,253	-	66,252,253
Changes relating to liabilities for incurred claims	-	-	(48,126,144)	(32,192,697)	(80,318,841)	-	-	(48,984,093)	4,334,150	(44,649,943)
Insurance acquisition costs incurred	3,444,959	-	-	-	3,444,959	1,181,439	-	-	-	1,181,439
Insurance service expenses	3,444,959	-	12,377,750	4,730,377	20,553,086	1,181,439	-	17,268,160	4,334,150	22,783,749
Insurance service result	(28,691,239)	-	12,377,750	4,730,377	(11,583,112)	(28,045,675)	-	17,268,160	4,334,150	(6,443,365)
Net finance expense from insurance contracts	-	-	1,316,930	-	1,316,930	-	-	1,676,991	-	1,676,991
Total changes in the interim condensed consolidated statement of income	(28,691,239)	-	13,694,680	4,730,377	(10,266,182)	(28,045,675)	-	18,945,151	4,334,150	(4,766,374)
<i>Cash flows</i>										
Premiums received	25,451,094	-	-	-	25,451,094	42,833,374	-	-	-	42,833,374
Claims and other directly attributable expenses paid	-	-	(14,311,620)	-	(14,311,620)	-	-	(14,348,640)	-	(14,348,640)
Insurance acquisition cash flows	(3,145,508)	-	-	-	(3,145,508)	(1,632,165)	-	-	-	(1,632,165)
Total cash flows	22,305,586	-	(14,311,620)	-	7,993,966	41,201,209	-	(14,348,640)	-	26,852,569
Net closing balance	(23,405,843)	-	165,848,246	55,845,102	198,287,505	(9,711,579)	-	160,158,166	33,432,665	183,879,252
Closing liabilities	(22,904,537)	-	165,711,290	55,625,993	198,432,746	(7,316,504)	-	159,422,213	33,186,585	185,292,294
Closing assets	(501,306)	-	136,956	219,109	(145,241)	(2,395,075)	-	735,953	246,080	(1,413,042)
Net closing balance	(23,405,843)	-	165,848,246	55,845,102	198,287,505	(9,711,579)	-	160,158,166	33,432,665	183,879,252

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 31 March 2024

5 REINSURANCE CONTRACTS ASSETS (LIABILITIES)

	31 March 2024					31 March 2023				
	Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)			Assets for remaining coverage (ARC)		Assets for amounts recoverable on incurred claims (AIC)		
	Excluding loss component KD	Loss component KD	Estimates of the present value of future cash flows KD	Risk adjustment KD	Total KD	Excluding loss component KD	Loss component KD	Estimates of the present value of future cash flows KD	Risk adjustment KD	Total KD
Opening liabilities	10,142,497	-	(3,874,528)	(319,129)	5,948,840	21,681,804	-	(90,000)	(8,663)	21,583,141
Opening assets	(985,829)	-	(52,545,171)	(3,506,094)	(57,037,094)	(5,040,606)	-	(49,365,017)	(2,212,277)	(56,617,900)
Net opening balance	9,156,668	-	(56,419,699)	(3,825,223)	(51,088,254)	16,641,198	-	(49,455,017)	(2,220,940)	(35,034,759)
Changes in the interim condensed consolidated statement of income statement of income										
Allocation of reinsurance premiums	5,378,681	-	-	-	5,378,681	5,473,573	-	-	-	5,473,573
<i>Amounts recoverable from reinsurers</i>										
Incurring claims & other expenses	-	-	(29,311,818)	(2,836,478)	(32,148,296)	-	-	(14,493,436)	540,798	(13,952,638)
Changes in amounts recoverable on incurred claims	-	-	29,638,211	2,818,832	32,457,043	-	-	8,051,688	-	8,051,688
Total amounts recoverable from reinsurers	-	-	326,393	(17,646)	308,747	-	-	(6,441,748)	540,798	(5,900,950)
Net expense from reinsurance contracts held	5,378,681	-	326,393	(17,646)	5,687,428	5,473,573	-	(6,441,748)	540,798	(427,377)
Net finance income from reinsurance contracts	-	-	(528,861)	-	(528,861)	-	-	(518,172)	-	(518,172)
Total changes in the interim condensed consolidated statement of income statement of income	5,378,681	-	(202,468)	(17,646)	5,158,567	5,473,573	-	(6,959,920)	540,798	(945,549)
Cash flows										
Premiums paid net of commission received	(1,520,674)	-	-	-	(1,520,674)	(18,317,046)	-	-	-	(18,317,046)
Claims and other recoveries	-	-	3,075,736	-	3,075,736	-	-	1,687,516	-	1,687,516
Directly attributable expenses paid	-	-	(35,730)	-	(35,730)	-	-	-	-	-
Total cash flows	(1,520,674)	-	3,040,006	-	1,519,332	(18,317,046)	-	1,687,516	-	(16,629,530)
Net closing balance	13,014,675	-	(53,582,161)	(3,842,869)	(44,410,355)	3,797,725	-	(54,727,421)	(1,680,142)	(52,609,838)
Closing liabilities	8,855,755	-	(1,978,698)	(271,753)	6,605,304	8,797,087	-	(454,447)	(22,327)	8,320,313
Closing assets	4,158,920	-	(51,603,463)	(3,571,116)	(51,015,659)	(4,999,362)	-	(54,272,974)	(1,657,815)	(60,930,151)
Net closing balance	13,014,675	-	(53,582,161)	(3,842,869)	(44,410,355)	3,797,725	-	(54,727,421)	(1,680,142)	(52,609,838)

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

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6 NET INVESTMENT INCOME

	<i>Three months ended</i>	
	<i>31 March</i>	
	2024	2023
	KD	KD
Dividend income	473,311	460,577
Interest income	2,805,551	2,101,437
Income from funds	178,064	89,755
Net realized gain from FVTPL	36,638	50,304
Unrealised gain on financial assets at fair value through profit or loss	1,297,307	6,366
Share of results of associates	563,994	656,540
	5,354,865	3,364,979

7 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>31 March</i>	
	2024	2023
	KD	KD
Profit for the period attributable to the equity holders of the Parent Company (KD)	8,790,696	7,598,522
Weighted average number of ordinary shares outstanding during the period (excluding treasury shares) (shares)	216,696,640	216,696,640
Basic and diluted earnings per share	40.57 fils	35.07 fils

8 CASH AND CASH EQUIVALENTS

	<i>31 March</i>	<i>(Audited)</i>	
		<i>31 December</i>	<i>31 March</i>
	2024	2023	2023
	KD	KD	KD
Term deposits	176,128,181	170,873,410	153,004,466
Bank balances and cash	7,718,207	6,644,918	8,415,669
	183,846,388	177,518,328	161,420,135
Cash and short-term deposits			
Term deposits with original maturities of more than three months	(174,739,538)	(169,337,160)	(146,582,714)
Cash and cash equivalents	9,106,850	8,181,168	14,837,421

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 31 March 2024

8 CASH AND CASH EQUIVALENTS (continued)

Term deposits amounting to KD 110,000 (31 December 2023: KD 110,000 and 31 March 2023: KD 110,000) are pledged as security to fulfill collateral requirements.

Term deposits include an amount of KD 8,345,000 related to the Parent Company held in State of Kuwait under lien to the Insurance Regulatory Unit (IRU) in accordance with insurance regulations of State of Kuwait (31 December 2023: KD 8,345,000 and 31 March 2023: KD 7,095,000).

9 SHARE CAPITAL

Issued and fully paid-up share capital consists of 220,500,000 shares of 100 fils each (31 December 2023: 220,500,000 shares of 100 fils and 31 March 2023: 220,500,000 shares of 100 fils each).

10 SPECIAL VOLUNTARY RESERVE

On 28 April 2024, 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 2023 to the special voluntary reserve.

11 TREASURY SHARES

	31 March 2024	<i>(Audited)</i> 31 December 2023	31 March 2023
Number of treasury shares	3,803,360	3,803,360	3,803,360
Percentage of issued shares (%)	1.72	1.72	1.72
Cost (KD)	1,278,932	1,278,932	1,278,932
Market value (KD)	2,746,026	2,320,050	1,970,140

Reserves amounting to KD 1,278,932 (31 December 2023: KD 1,278,932 and 31 March 2023: 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 31 March 2024 is 666 fils per share (31 December 2023: 579 fils per share and 31 March 2023: 520 fils per share).

12 ANNUAL GENERAL ASSEMBLY

The Annual General Assembly meeting of the shareholders of the Parent Company held on 28 April 2024 approved the consolidated financial statements for the year ended 31 December 2023 and approved the cash dividends of 30%, with a total amount of KD 6,615,000 and in-kind distributions of 5% of the Parent Company's share in Kuwait Reinsurance Company, the subsidiary, to the shareholders of the Parent Company at a rate of one share for every 20 shares. This has been approved by Bursa Kuwait Securities Company and the regulatory authorities.

For the year ended 31 December 2022 approved the cash dividends of 40% totaling to KD 8,667,866, Accordingly, cash dividends were recorded as dividends payable in the Parent Company's recorded as of the date of the Ordinary Annual General Assembly and was paid to the shareholders starting from the payment date of 18 April 2023 which was defined in accordance with Capital Market Authority regulations.

The 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 2023 to the special voluntary reserve.

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 31 March 2024

13 SEGMENT INFORMATION (continued)

	<i>Total general risk insurance KD</i>	<i>Life and medical insurance KD</i>	<i>Reinsurance KD</i>	<i>Investments and Unallocated KD</i>	<i>Total KD</i>
31 December 2023					
Total Assets	31,525,430	13,251,500	198,821,186	131,062,852	374,660,968
Total Liabilities	45,139,697	61,691,852	119,134,465	977	225,966,991
	<i>Total general risk insurance KD</i>	<i>Life and medical insurance KD</i>	<i>Reinsurance KD</i>	<i>Investment and unallocated KD</i>	<i>Total KD</i>
31 March 2023					
Revenue	8,375,790	5,186,137	15,665,187	3,364,979	32,592,093
Segment results	2,906,893	987,534	3,030,409	1,258,995	8,183,831
	<i>Total general risk insurance KD</i>	<i>Life and medical insurance KD</i>	<i>Reinsurance KD</i>	<i>Investment and unallocated KD</i>	<i>Total KD</i>
Total Assets	38,138,747	10,027,062	169,932,720	133,352,608	351,451,137
Total Liabilities	78,716,653	20,083,821	96,965,173	21,156,387	216,922,034

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 31 March 2024

14 RELATED PARTY DISCLOSURES

The Group has entered into various transactions with related parties, i.e. shareholders, Board of directors, key management personnel, associates and other related parties in the normal course of its business concerning financing and other related services. Prices and terms of payment are approved by the Group's management. Significant related party transactions and balances are as follows:

Balances included in the interim condensed consolidated statement of financial position:

	<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 31 March 2024 KD</i>	<i>(Audited) 31 December 2023 KD</i>	<i>31 March 2023 KD</i>
Insurance activities							
Insurance services receivable	77,216	55,687	1,671,961	5,705	1,810,569	2,032,698	1,433,413
Insurance service payable	-	-	6,027	3,082	9,109	15,400	12,944

Transactions included in the interim condensed consolidated statement of income:

Three months period ended 31 March 2024

	<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	3,940	24,866	437,829	2,171	468,806
Claims incurred	-	3,133	30,635	-	33,768

Three months period ended 31 March 2023

	<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	2,567	14,098	731,863	3,853	752,381
Claims incurred	-	20,536	84,659	47,397	152,592

Compensation to 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 31 March</i>	
	<i>2024 KD</i>	<i>2023 KD</i>
Short term employees' benefits	198,611	193,193
Employees' end of service benefit	18,819	29,399
	217,430	222,592

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 31 March 2024

15 CAPITAL COMMITMENTS AND CONTINGENCIES

	<i>31 March</i> <i>2024</i> <i>KD</i>	<i>(Audited)</i> <i>31 December</i> <i>2023</i> <i>KD</i>	<i>31 March</i> <i>2023</i> <i>KD</i>
Letters of guarantee	1,460,076	1,634,284	3,508,770
Capital commitments	2,950,756	3,485,701	4,110,247

Contingencies

The Group is subject to litigation in the normal course of its business. The Group based on independent legal advice, does not believe that the outcome of these court cases will have a material impact on the Group's interim condensed consolidated income or interim condensed consolidated financial position.

16 FAIR VALUE MEASUREMENT

	<i>Fair value measurement using</i>		
	<i>Quoted prices in</i> <i>active markets</i> <i>(Level 1)</i> <i>KD</i>	<i>Significant</i> <i>unobservable</i> <i>inputs</i> <i>(Level 3)</i> <i>KD</i>	<i>Total</i> <i>KD</i>
31 March 2024			
<i>Investments carried at fair value through other comprehensive income:</i>			
Quoted equity securities	10,271,772	-	10,271,772
Unquoted equity securities	-	6,946,107	6,946,107
Unquoted managed funds	-	2,475,952	2,475,952
Total	10,271,772	9,422,059	19,693,831
<i>Investments carried at fair value through profit or loss:</i>			
Quoted equity securities	18,140,688	-	18,140,688
Unquoted equity securities	-	1,215,567	1,215,567
Unquoted managed funds	-	12,740,887	12,740,887
Total	18,140,688	13,956,454	32,097,142

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 31 March 2024

16 FAIR VALUE MEASUREMENT (continued)

	<i>Fair value measurement using</i>		
	<i>Quoted prices in active markets (Level 1)</i>	<i>Significant unobservable inputs (Level 3)</i>	<i>Total</i>
	<i>KD</i>	<i>KD</i>	<i>KD</i>
<i>31 December 2023 (Audited)</i>			
<i>Investments carried at fair value through other comprehensive income:</i>			
Quoted equity securities	8,755,005	-	8,755,005
Unquoted equity securities	-	7,227,313	7,227,313
Unquoted managed funds	-	2,496,406	2,496,406
Total	8,755,005	9,723,719	18,478,724
<i>Investments carried at fair value through profit or loss:</i>			
Quoted equity securities	15,232,993	-	15,232,993
Unquoted equity securities	-	1,112,621	1,112,621
Unquoted managed funds	-	12,994,237	12,994,237
Total	15,232,993	14,106,858	29,339,851
<i>31 March 2023</i>			
<i>Investments carried at fair value through other comprehensive income:</i>			
Quoted equity securities	8,642,911	-	8,642,911
Unquoted equity securities	-	7,377,893	7,377,893
Unquoted managed funds	-	2,496,989	2,496,989
Total	8,642,911	9,874,882	18,517,793
<i>Investments carried at fair value through profit or loss:</i>			
Quoted equity securities	12,767,379	-	12,767,379
Unquoted equity securities	-	1,119,533	1,119,533
Unquoted managed funds	-	12,549,467	12,549,467
Total	12,767,379	13,669,000	26,436,379

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 31 March 2024

16 FAIR VALUE MEASUREMENT (continued)

	As at 1 January 2024 KD	change recorded in the interim consolidated statement of comprehensive income KD	Net result recorded in the interim consolidated statement of income KD	Net purchases and disposals KD	As at 31 March 2024 KD	
31 March 2024						
<i>Investments carried at fair value through other comprehensive income:</i>						
Unquoted equity securities	7,227,313	(280,324)	-	(882)	6,946,107	
Unquoted managed funds	2,496,406	(20,454)	-	-	2,475,952	
	<u>9,723,719</u>	<u>(300,778)</u>	<u>-</u>	<u>(882)</u>	<u>9,422,059</u>	
<i>Investments carried at fair value through profit or loss:</i>						
Unquoted equity securities	1,112,621	-	108,256	(5,310)	1,215,567	
Unquoted managed funds	12,994,237	-	(348,589)	95,239	12,740,887	
	<u>14,106,858</u>	<u>-</u>	<u>(240,333)</u>	<u>89,929</u>	<u>13,956,454</u>	
	As at 1 January 2023 KD	Transferred on transition of IFRS 9 KD	Change recorded in the consolidated statement of comprehensive income KD	Net result recorded in the consolidated statement of income KD	Net purchases and disposals KD	As at 31 December 2023 KD
31 December 2023 (Audited)						
<i>Investments carried at fair value through other comprehensive income:</i>						
Unquoted equity securities	-	14,195,445	(6,962,563)	-	(5,569)	7,227,313
Unquoted managed funds	-	2,481,037	45,056	-	(29,687)	2,496,406
	<u>-</u>	<u>16,676,482</u>	<u>(6,917,507)</u>	<u>-</u>	<u>(35,256)</u>	<u>9,723,719</u>
<i>Investments carried at fair value through profit or loss:</i>						
Unquoted equity securities	1,118,612	-	-	-	(5,991)	1,112,621
Unquoted managed funds	-	11,999,628	-	178,696	815,913	12,994,237
	<u>1,118,612</u>	<u>11,999,628</u>	<u>-</u>	<u>178,696</u>	<u>809,922</u>	<u>14,106,858</u>

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As at and for the period ended 31 March 2024

16 FAIR VALUE MEASUREMENT (continued)

31 March 2023	As at 1 January 2023 KD	Transferred on transition of IFRS 9 KD	change recorded in the interim condensed statement of comprehensive income KD	Net result recorded in the interim condensed statement of income KD	Net purchases and disposals KD	As at 31 March 2023 KD
<i>Investments carried at fair value through other comprehensive income:</i>						
Unquoted equity securities	-	14,195,445	(6,817,552)	-	-	7,377,893
Unquoted managed funds	-	2,481,037	15,952	-	-	2,496,989
	-	16,676,482	(6,801,600)	-	-	9,874,882
<i>Investments carried at fair value through profit or loss:</i>						
Unquoted equity securities	1,118,612	-	-	-	921	1,119,533
Unquoted managed funds	-	11,999,628	-	322,041	227,798	12,549,467
	1,118,612	11,999,628	-	322,041	228,719	13,669,000

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 three months ended 31 March 2024.

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

Set out below are the significant unobservable inputs to valuation as at 31 March 2024:

	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
Unquoted equity securities	Price to book value	Discount for lack of marketability (DLOM)	10%	An increase or (decrease) by 10% in the discount for lack of marketability & lack of control would result in (decrease) or increase in fair value by KD 695 thousands.
Unquoted equity securities	Price to book value	Price to book multiple "Represents amounts used when the Group has determined that market participants would use such multiples when pricing the investments"	10%	An increase or (decrease) by 10% in the price to book multiple would result in increase or (decrease) in fair value by KD 695 thousand.
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) increase in fair value by KD 247 thousand.

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