

**DOHA INSURANCE GROUP Q.P.S.C.
DOHA - QATAR**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED
MARCH 31, 2022**

DOHA INSURANCE GROUP Q.P.S.C.

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S
REVIEW REPORT**

For the three month period ended March 31, 2022

INDEX	Page
Independent auditor's review report	1 - 2
Interim condensed consolidated statement of financial position	3
Interim condensed consolidated statement of profit or loss	4 - 5
Interim condensed consolidated statement of comprehensive income	6
Interim condensed consolidated statement of changes in equity	7
Interim condensed consolidated statement of cash flows	8 - 9
Notes to the interim condensed consolidated financial statements	10 - 24



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Independent auditors' report on review of interim condensed consolidated financial statements

To the Shareholders of Doha Insurance Group Q.P.S.C.

Introduction

We have reviewed the accompanying March 31, 2022 interim condensed consolidated financial statements of Doha Insurance Group Q.P.S.C (the "Company") and its subsidiaries (together the "Group"), which comprise;

- the interim condensed consolidated statement of financial position as at March 31, 2022;
- the interim condensed consolidated statement of profit or loss for the three month period ended March 31, 2022;
- the interim condensed consolidated statement of comprehensive income for the three month period ended March 31, 2022;
- the interim condensed consolidated statement of changes in equity for the three month period ended March 31, 2022;
- the interim condensed consolidated statement of cash flows for the three month period ended March 31, 2022; and
- notes to the interim condensed consolidated financial statements.

The Board of Directors of the Company is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standards 34, 'Interim Financial Reporting' ('IAS 34'). Our responsibility is to express a conclusion on these condensed interim consolidated financial statements 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 the 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. Consequently, it 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 March 31, 2022 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



Independent auditors' report on review of interim condensed consolidated financial statements

Other Matter

The interim condensed consolidated financial statements of the Group as at and for the three month period ended March 31, 2021 were reviewed by another auditor who expressed a modified review conclusion on those interim condensed consolidated financial statements on April 28, 2021 because they were unable to complete their review of the technical reserves as of March 31, 2020 as the group had not completed its actuarial assessment of the Claims Incurred but Not Reported Reserves (IBNR), Unallocated Loss Adjustment Expenses Reserve (ULAE) and Premium Deficiency Reserve (PDR) included within the technical reserve for the period then ended.

The consolidated financial statements of the Group as at and for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on March 10, 2022.

27 April 2022
Doha
State of Qatar

Yacoub Hobeika
KPMG

Qatar Auditor's Registry Number 289
Licensed by QFMA: External
Auditor's License No. 120153

DOHA INSURANCE GROUP Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31, 2022

	Notes	March 31, 2022 QR (Reviewed)	December 31, 2021 QR (Audited)
ASSETS			
Cash and bank balances	3	393,945,668	432,541,053
Financial investments	4	890,789,636	881,566,709
Insurance and other receivables	5	542,582,169	449,857,537
Investment properties	6	295,188,037	298,466,405
Investments in associates	7	17,432,104	18,171,070
Reinsurance contract assets	8	964,253,247	900,914,325
Property and equipment		19,097,245	19,827,403
Right-of-use assets		6,254,680	6,743,796
TOTAL ASSETS		3,129,542,786	3,008,088,298
EQUITY AND LIABILITIES			
Equity			
Share capital	10	500,000,000	500,000,000
Legal reserve	11	383,496,726	383,496,726
Fair value reserve		30,447,512	2,572,387
Foreign currency translation reserve		(3,068,055)	(2,328,694)
Retained earnings		280,161,744	305,600,359
Total equity		1,191,037,927	1,189,340,778
Liabilities			
Insurance contract liabilities	8	1,420,574,311	1,319,513,932
Provisions, insurance, and other payables		314,084,000	272,324,923
Borrowings	9	182,588,719	205,675,302
Provision for employees' end of service benefits		12,286,736	11,910,852
Lease liability		8,971,093	9,322,511
Total liabilities		1,938,504,859	1,818,747,520
TOTAL EQUITY AND LIABILITIES		3,129,542,786	3,008,088,298

These interim condensed consolidated financial statement were approved by the Board of Directors on April 27, 2022 and were signed on its behalf by:


Nawaf Bin Nasser Bin Khaled Al Thani
 Chairman


Jassim Ali A. Al-Moftah
 Chief Executive Officer



THE ACCOMPANYING NOTES 1-20 FORM AN INTEGRAL PART OF AND SHOULD BE READ IN CONJUNCTION WITH THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DOHA INSURANCE GROUP Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three month period ended March 31, 2022

	Notes	For the three month period ended March 31,	
		2022	2021
		QR (Reviewed)	QR (Reviewed)
Gross premiums	15	422,035,904	315,178,070
Reinsurers' share of gross premiums	15	(276,816,341)	(189,714,290)
Net premiums		145,219,563	125,463,780
Unearned premium reserve	15	(28,863,895)	(24,341,432)
Underwriting revenue		116,355,668	101,122,348
Claims paid	15	(106,471,075)	(81,863,222)
Reinsurers' share of claims	15	52,468,550	27,385,398
Change in outstanding claims reserve	15	(6,468,025)	(8,288,115)
Commissions received	15	21,473,452	14,741,187
Commissions paid	15	(23,971,708)	(16,617,912)
Other technical expenses	15	(1,807,624)	(1,012,769)
Net underwriting results		51,579,238	35,466,915
Dividend income		12,431,793	9,140,927
Interest income		3,834,737	2,297,883
Rental income from investment properties		3,085,111	3,514,800
Share of results of associates	7	(147,545)	38,264
Net gain on sale of financial assets		626,697	2,932,696
Unrealised loss on investment in financial assets at fair value through profit or loss – net		(4,958,099)	(317,598)
Depreciation of investment properties		(1,823,909)	(1,855,699)
Finance cost on borrowings		(509,573)	(283,467)
Other income / (loss)		85,879	50,034
Investment and other income		12,625,091	15,517,840
General and administrative expenses	14	27,095,533	24,130,983
Depreciation of properties and equipment		914,650	679,766
Amortization of right-of-use assets		773,774	540,475
Finance cost on lease liability		148,652	154,960
Total expenses		28,932,609	25,506,184
Profit for the period before allocation to Takaful operation's policyholders		35,271,720	25,478,571



THE ACCOMPANYING NOTES 1-20 FORM AN INTEGRAL PART OF AND SHOULD BE READ IN CONJUNCTION WITH THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DOHA INSURANCE GROUP Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

For the three month period ended March 31, 2022

	Notes	For the three month period ended March 31,	
		2022	2021
		QR (Reviewed)	QR (Reviewed)
Profit for the period before allocation to Takaful operation's policyholders		35,271,720	25,478,571
Net surplus attributable to Takaful operation's policyholders		(1,835,072)	(1,609,891)
Profit attributable to shareholders		33,436,648	23,868,680
Income tax		--	--
Profit attributable to shareholders after tax		33,436,648	23,868,680
Basic and diluted earnings per share	13	0.07	0.05



THE ACCOMPANYING NOTES 1-20 FORM AN INTEGRAL PART OF AND SHOULD BE READ IN CONJUNCTION WITH THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DOHA INSURANCE GROUP Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three month period ended March 31, 2022

	For the three month period ended March 31,	
	2022	2021
	QR	QR
	(Reviewed)	(Reviewed)
Profit attributable to shareholders after tax	33,436,648	23,868,680
Other comprehensive income		
<i>Items that may be subsequently reclassified to statement of profit or loss</i>		
Share of other comprehensive profit / (loss) of associate	408,579	(243,932)
Net change in fair value of debt instruments at fair value through other comprehensive income (FVTOCI)	(3,228,653)	(846,438)
Exchange differences on translating foreign operations	(739,361)	(2,373,779)
	<u>(3,559,435)</u>	<u>(3,464,149)</u>
<i>Items that will not be subsequently reclassified to statement of profit or loss</i>		
Net change in fair value of equity instruments designated at fair value through other comprehensive income (FVTOCI)	31,819,936	23,914,498
Other comprehensive income for the period	<u>28,260,501</u>	<u>20,450,349</u>
Total comprehensive income for the period	<u>61,697,149</u>	<u>44,319,029</u>



THE ACCOMPANYING NOTES 1-20 FORM AN INTEGRAL PART OF AND SHOULD BE READ IN CONJUNCTION WITH THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DOHA INSURANCE GROUP Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three month period ended March 31, 2022

	Share Capital QR	Legal reserve QR	Fair value reserve QR	Foreign currency translation reserve QR	Retained earnings QR	Total QR
Balance at January 1, 2021 (Audited)	500,000,000	376,169,757	(59,174,490)	1,769,980	290,936,195	1,109,701,442
Profit attributable to shareholders	--	--	--	--	23,868,680	23,868,680
Other comprehensive income for the period	--	--	22,824,128	(2,373,779)	--	20,450,349
Cash dividend paid (Note 12)	--	--	--	--	(50,000,000)	(50,000,000)
Balance at March 31, 2021 (Reviewed)	500,000,000	376,169,757	(36,350,362)	(603,799)	264,804,875	1,104,020,471
Balance at January 1, 2022 (Audited)	500,000,000	383,496,726	2,572,387	(2,328,694)	305,600,359	1,189,340,778
Profit attributable to shareholders	--	--	--	--	33,436,648	33,436,648
Other comprehensive income for the period	--	--	27,875,125	(739,361)	1,124,737	28,260,501
Cash dividend paid (Note 12)	--	--	--	--	(60,000,000)	(60,000,000)
Balance at March 31, 2022 (Reviewed)	500,000,000	383,496,726	30,447,512	(3,068,055)	280,161,744	1,191,037,927



THE ACCOMPANYING NOTES 1-20 FORM AN INTEGRAL PART OF AND SHOULD BE READ IN CONJUNCTION WITH THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DOHA INSURANCE GROUP Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three month period ended March 31, 2022

	For the three month period ended March 31,	
	2022	2021
	QR	QR
OPERATING ACTIVITIES		
Profit attributable to shareholders of the Parent before tax	33,436,648	23,868,680
<i>Adjustments for:</i>		
Depreciation of property and equipment	914,650	679,766
Depreciation of investment properties	1,823,909	1,855,699
Amortization of right-of-use assets	648,312	540,475
Provision for employees' end of service benefits	1,544,424	1,576,757
Unrealised loss on investments held at fair value through profit or loss	4,958,099	317,598
Share of results of associates	147,545	(38,264)
Reinsurers' share of unearned premium	(87,077,337)	(49,528,588)
Movement in unearned premium	115,941,228	73,870,019
Finance cost on lease liabilities	148,652	154,960
Net gain on sale of financial assets	(626,697)	(2,932,696)
Dividend income	(12,431,793)	(9,140,927)
Interest income	(3,834,737)	(2,297,883)
Finance cost on borrowings	509,573	283,467
	56,102,476	39,209,063
Movements in working capital		
Insurance and other receivables	(92,724,632)	(99,127,085)
Insurance reserves	8,857,567	9,346,884
Provisions, insurance, and other payables	41,730,533	90,177,599
Cash generated from operations	13,965,944	39,606,461
Payment for employees' end of service benefits	(1,140,000)	(254,090)
Net cash generated from operating activities	12,825,944	39,352,371
INVESTING ACTIVITIES		
Dividends received	12,431,793	9,140,927
Dividend received from associate	1,000,000	-
Purchase of investments	--	(82,162,863)
Proceeds from disposal of investments	15,036,953	14,715,925
Interest received	3,834,737	2,297,883
Movement in deposits with original maturity of more than three months	25,327,062	21,610,075
Purchase of property and equipment	--	(291,085)
Purchase to investment properties	--	(13,455)
Net cash generated from / (used in) investing activities	57,630,545	(34,702,593)



THE ATTACHED NOTES 1-20 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DOHA INSURANCE GROUP Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the three month period ended March,31 2022

	Note	For the three month period ended March 31,	
		2022 QR	2021 QR
FINANCING ACTIVITIES			
Repayment of borrowings		(23,086,582)	(241,402)
Dividends paid		(60,000,000)	(50,000,000)
Repayment of lease liabilities		(500,069)	(692,934)
Interest expense paid		(509,573)	(283,467)
Cash used in financing activities		(84,096,224)	(51,217,803)
Net decrease in cash and cash equivalents		(13,639,735)	(46,568,025)
Cash and cash equivalents at the beginning of period		141,124,151	161,978,694
Effect of exchange rate fluctuations on cash held		371,412	(34,843)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	3	127,855,828	115,375,826



THE ATTACHED NOTES 1-20 FORM AN INTEGRAL PART OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

1. INCORPORATION AND ACTIVITIES

Doha Insurance Group Q.P.S.C. (the "Company") (previously known as "Doha Insurance Company Q.S.C"), is a Qatari public shareholding company registered and incorporated in the State of Qatar under Emiri Decree No. 30 issued on October 2, 1999. It is engaged in the business of insurance and reinsurance in State of Qatar. The shares of the Company are listed on Qatar Exchange Doha.

The interim condensed consolidated financial information of the Group consolidates the assets, liabilities and operational performance of the Company and its subsidiaries (collectively referred as "the Group") detailed below.

- i. On October 21, 2015, MENA RE Underwriters Limited, a limited liability company engaged in insurance intermediation and management, was incorporated in Dubai, UAE with a registration number of CL1984. The registered and paid up capital of the Subsidiary is wholly subscribed and owned by the Company.
- ii. On December 21, 2016, the Company invested 100% in share capital of Barzan Technology Solutions, a company incorporated in Jordan having business activities of providing information technology solutions and also engaged in real estate and investment activities. The subsidiary has commenced its operations during the second half of the year 2017.
- iii. On December 27, 2016, the Company invested 100% in the equity of Schwenke Zentrum S.a.r.l, a company duly incorporated under the laws of Grand Duchy of Luxembourg. The subsidiary is engaged in real estate holding and leasing operations for a property located in Germany.
- iv. In 2006, the Company established an Islamic Takaful branch under the brand name Doha Takaful to carry out insurance and reinsurance activities in accordance with Islamic Sharia principles on a non-usury basis in all areas of insurance. On March 28, 2018, the Company has registered Doha Takaful into a separate limited liability company as Doha Takaful L.L.C., which is 100% owned by the Company. The Company also prepares a separate set of financial statements of Doha Takaful L.L.C. as per the requirement of FAS - 12 General Presentation and Disclosure in the Financial Statements of Islamic Insurance Companies issued by the AAOIFI. The Doha Takaful L.L.C.s financial statements are then converted into International Financial Reporting Standards (IFRSs) compliant financial statements and included in these financial statements.
- v. On August 10, 2018, the Company invested 100% in the equity of Logistics Centre S.a.r.l., a company duly incorporated under the laws of Grand Duchy of Luxembourg. The subsidiary is engaged in real estate holding and leasing operations for a property located in Germany.
- vi. On March 4, 2018, a representative office in Beirut-Lebanon under the name of "Mena Re Life " was established which aims to extend the Group's reinsurance reach in the International arena. It is part of the DIG's strategy of geographic expansion to open new markets and build on its strong credit and financial rating. It is worth mentioning that the Group has completed all the formal procedures of establishing the office in accordance with the laws of the Lebanese Republic.
- vii. On January 4, 2018, Mena Re Speciality was incorporated in England and Wales. The registered office is 54 Fenchurch Street, London, ECEM 3JY. The registered and paid up capital of the Subsidiary is wholly subscribed and owned by the Company. This wholly owned subsidiary is a dormant entity and commercial operation has not yet commenced.
- viii. On June 27, 2018, the Group has established Tamina Technology Solutions, a limited liability company in Qatar. The registered and paid up capital of the Subsidiary is wholly subscribed and owned by the Company. The subsidiary is registered for trade in computer network devices and computer supplies, designing and programming special software, website design and information technology consulting. This wholly owned subsidiary is a dormant entity and commercial operation has not yet commenced.

The interim condensed consolidated financial statements of the Group for the three month period ended March 31, 2022 were authorised for issue by the Board of Directors on April 27, 2022.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The interim condensed consolidated financial information for the three month period ended March 31, 2021 has been prepared in accordance with IAS 34 "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2021, prepared in accordance with IFRS.

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Statement of compliance (continued)

In addition, the results of the three month period ended March 31, 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

(b) Basis of measurement

The interim condensed consolidated financial information are prepared under the historical cost convention, except for certain financial investments which are carried at fair value. The methods used to measure fair values are discussed further in Note 18.

(c) Functional and presentation currency

The interim condensed consolidated financial information are presented in Qatari Riyal (“QAR”), which is the Group’s functional currency.

(d) Judgments, estimates and risk management

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

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended December 31, 2021.

The Group's financial risk management objectives and policies are consistent with those disclosed in the Consolidated Financial Statements for the year ended December 31, 2021.

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the Group's annual financial statements for the year ended December 31, 2021, and the notes attached thereto, except for the adoption of certain new and revised standards, that became effective in the current period as set out below.

(i) New and amended IFRS Standards that are effective for the current year

New and revised IFRSs	Effective for annual periods beginning on or after
COVID-19-Related Rent Concessions beyond 30 June 2021 – Amendment to IFRS 16	1 April 2021
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022
Annual Improvements to IFRS Standards 2018–2020	
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	
Reference to the Conceptual Framework (Amendments to IFRS 3)	

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years.

DOHA INSURANCE GROUP Q.P.S.C.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2022

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(ii) New and amended IFRSs in issue but not yet effective and not early adopted**

New and revised IFRSs	Effective for annual periods beginning on or after
<i>Classification of Liabilities as Current or Noncurrent – Amendments to IAS 1</i>	January 1, 2023
<i>IFRS 17 Insurance Contracts,</i>	January 1, 2023
<i>Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2</i>	January 1, 2023
<i>Definition of Accounting Estimate – Amendments to IAS 8</i>	January 1, 2023
<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12</i>	January 1, 2023
<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)</i>	Available for optional adoption/effective date deferred indefinitely

IFRS 17 Insurance Contracts - Standard issued in May 2018

IFRS 17 Insurance Contracts establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. The standard is effective for annual periods beginning on or after 1 January 2023 with an earlier application is permitted.

IFRS 17 provides comprehensive guidance on accounting for insurance contracts and investment contracts with discretionary participation features. For general insurance contracts, IFRS 17 requires discounting of loss reserves expected to be paid in more than one year as well as risk adjustment, for which confidence level equivalent disclosure will be required.

The management is currently assessing the impact IFRS 17 may have on the Group financial statements.

Management anticipates that these new standards, interpretations, and amendments will be adopted in the Group's consolidated 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 consolidated financial statements of the Group in the period of initial application.

3. CASH AND BANK BALANCES

	March 31, 2022	December 31, 2021
	QR	QR
	(Reviewed)	(Audited)
Cash on hand	719,929	587,865
Bank balances and term deposits	393,531,999	432,259,448
Loss allowance	(306,260)	(306,260)
Cash and bank balances	393,945,668	432,541,053

Term deposits consist of fixed deposits amounting to QR. 266,089,840 (2021: QR 236,578,203) bearing interest at the rate of 0.2% to 2.40% per annum (December 31, 2021: 0.0% to 2.4 % per annum).

DOHA INSURANCE GROUP Q.P.S.C.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2022

3. CASH AND BANK BALANCES (CONTINUED)

Reconciliation to gross cash and cash equivalents:

	March 31, 2022	December 31, 2021
	QR	QR
	(Reviewed)	(Audited)
Cash and bank balances	393,945,668	432,541,053
Less: deposits with original maturity of more than 3 months	(266,396,100)	(291,723,162)
Add: Allowance for impairment	306,260	306,260
Gross cash and cash equivalents	<u>127,855,828</u>	<u>141,124,151</u>

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 Group 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 Group has assessed loss allowance as at reporting date and have adjusted the loss allowance accordingly.

4. FINANCIAL INVESTMENTS

The carrying amounts of financial investments were as follows:

	March 31, 2022	December 31, 2021
	QR	QR
	(Reviewed)	(Audited)
Investments held at fair value through profit or loss		
Quoted shares	7,029,024	3,115,794
Funds	174,017,722	159,149,198
Debt securities with fixed interest rate	87,535,451	92,267,411
Investments held at fair value through other comprehensive income		
- Quoted shares	424,434,583	404,749,838
- Private equity funds and unquoted shares	47,502,822	49,291,512
- Debt securities with fixed interest rate	151,214,861	173,937,783
Allowance for impairment (ECL)	(944,827)	(944,827)
	<u>890,789,636</u>	<u>881,566,709</u>

The debt securities carry interest at 1.30% and 8.60% (December 31, 2021: 1.3% to 13.87%) per annum and have maturity periods of 1 to 29 years.

5. INSURANCE AND OTHER RECEIVABLE

	March 31, 2022	December 31, 2021
	QR	QR
	(Reviewed)	(Audited)
Premiums and insurance receivables - net	474,272,834	393,542,473
Due from employees	2,524,321	2,358,621
Prepayments and others	26,630,324	20,003,892
Deferred acquisition cost	39,154,690	33,952,551
	<u>542,582,169</u>	<u>449,857,537</u>

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

6. INVESTMENT PROPERTIES

	March 31, 2022	December 31, 2021
	QR	QR
	(Reviewed)	(Audited)
Net carrying value at the beginning of the period / year	298,466,405	314,148,339
Additions	--	13,456
Depreciation and amortization for the period / year	(1,823,909)	(7,318,682)
Translation reserve	(1,454,459)	(8,376,708)
Net carrying value at the end of the period / year	295,188,037	298,466,405

7. INVESTMENTS IN ASSOCIATES

The Group has following investment in associates:

	<i>Country of incorporation</i>	<i>Percentage of ownership</i>		<i>Principal activity</i>
		March 31, 2022	December 31, 2021	
		(Reviewed)	(Audited)	
Yemeni Qatari Insurance Company	Republic of Yemen	40%	40%	Insurance
Qatar unified Insurance Bureau W.L.L.	State of Qatar	25%	25%	Insurance

Movements in the investment in associates are as follows:

	March 31, 2022	December 31, 2021
	QR	QR
	(Reviewed)	(Audited)
At the beginning of the period / year	18,171,070	17,185,813
Equity share in net earnings	(147,545)	2,013,693
Cash dividends received	(1,000,000)	(716,176)
Share of other comprehensive income / (loss) of associate	408,579	(281,152)
Foreign currency translation difference	--	(31,108)
At the ending of the period / year	17,432,104	18,171,070

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

7. INVESTMENTS IN ASSOCIATES (Continued)

The summarized financial information of the Group's investments in associates are as follows:

	March 31, 2022	December 31, 2021
	QR	QR
	(Reviewed)	(Audited)
Share in the associates' statement of financial position:		
Total assets	14,511,529	15,571,191
Total liabilities	<u>(3,345,386)</u>	<u>(3,666,082)</u>
Net assets	11,166,143	11,905,109
Additional consideration paid in excess of share in net assets	<u>6,265,961</u>	6,265,961
	<u>17,432,104</u>	<u>18,171,070</u>
Share in the associates' revenue and results:		
Revenues	<u>6,705,208</u>	7,268,357
Share of results	<u>(147,545)</u>	<u>2,013,693</u>

The carrying amounts of these investments are as follows:

	March 31, 2022	December 31, 2021
	QR	QR
	(Reviewed)	(Audited)
Yemeni Qatari Insurance Company	8,601,984	8,317,863
Qatar Unified Insurance Bureau W.L.L.	<u>8,830,120</u>	<u>9,853,207</u>
	<u>17,432,104</u>	<u>18,171,070</u>

8. INSURANCE CONTRACT LIABILITIES AND REINSURANCE CONTRACT ASSETS

	March 31, 2022	December 31, 2021
	QR	QR
	(Reviewed)	(Audited)
Gross		
Insurance contract liabilities:		
Claims reported unsettled	732,347,493	754,351,920
Claims incurred but not reported	118,629,884	113,895,848
Unearned premiums	556,095,598	440,154,370
Deferred commissions	<u>13,501,336</u>	11,111,794
	<u>1,420,574,311</u>	<u>1,319,513,932</u>
Recoverable from reinsurers:		
Claims reported unsettled	588,180,132	611,918,541
Claims incurred but not reported	47,274,171	47,274,177
Re-insurers' share in unearned premiums	<u>328,798,944</u>	<u>241,721,607</u>
	<u>964,253,247</u>	<u>900,914,325</u>
Net		
Claims reported unsettled	144,167,361	142,433,379
Claims incurred but not reported	71,355,713	66,621,671
Unearned premiums	227,296,654	198,432,763
Deferred commissions	<u>13,501,336</u>	11,111,794
	<u>456,321,064</u>	<u>418,599,607</u>

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

8. INSURANCE CONTRACT LIABILITIES AND REINSURANCE CONTRACT ASSETS (CONTINUED)

(a) Outstanding claims provision

	March 31, 2022 (Reviewed)			December 31, 2021 (Audited)		
	Gross QR	Reinsurers' share QR	Net QR	Gross QR	Reinsurers' share QR	Net QR
At the beginning of the period / year						
Claims reported unsettled	754,351,920	(611,918,541)	142,433,379	741,887,961	(614,951,811)	126,936,150
Claims incurred but not reported	113,895,848	(47,274,177)	66,621,671	91,914,366	(49,587,516)	42,326,850
	<u>868,247,768</u>	<u>(659,192,718)</u>	<u>209,055,050</u>	<u>833,802,327</u>	<u>(664,539,327)</u>	<u>169,263,000</u>
Insurance claims paid during the period / year	(106,471,075)	52,468,550	(54,002,525)	(349,425,690)	138,984,063	(210,441,627)
Incurred during the period / year	89,200,684	(28,730,135)	60,470,549	383,871,131	(133,637,454)	250,233,677
At the end of the period / year	<u>850,977,377</u>	<u>(635,454,303)</u>	<u>215,523,074</u>	<u>868,247,768</u>	<u>(659,192,718)</u>	<u>209,055,050</u>

(b) Analysis of outstanding claims

	March 31, 2022 (Reviewed)			December 31, 2021 (Audited)		
	Gross QR	Reinsurers' share QR	Net QR	Gross QR	Reinsurers' share QR	Net QR
Claims reported unsettled	732,347,493	(588,180,132)	144,167,361	754,351,920	(611,918,541)	142,433,379
Claims incurred but not reported	118,629,884	(47,274,171)	71,355,713	113,895,848	(47,274,177)	66,621,671
At the end of the period/year	<u>850,977,377</u>	<u>(635,454,303)</u>	<u>215,523,074</u>	<u>868,247,768</u>	<u>(659,192,718)</u>	<u>209,055,050</u>

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

8. INSURANCE CONTRACT LIABILITIES AND REINSURANCE CONTRACT ASSETS (CONTINUED)

(c) Unearned premium reserve

	March 31, 2022 (Reviewed)			December 31, 2021 (Audited)		
	Gross	Reinsurers' share	Net	Gross	Reinsurers' share	Net
	QR	QR	QR	QR	QR	QR
At the beginning of the period / year	440,154,370	(241,721,607)	198,432,763	365,349,550	(210,146,283)	155,203,267
Gross premiums during the period / year	422,035,904	(276,816,341)	145,219,563	1,120,996,679	(651,302,939)	469,693,740
Earned insurance premiums during the period / year	<u>(306,094,676)</u>	<u>189,739,004</u>	<u>(116,355,672)</u>	<u>(1,046,191,859)</u>	<u>619,727,615</u>	<u>(426,464,244)</u>
At the end of the period / year	<u>556,095,598</u>	<u>(328,798,944)</u>	<u>227,296,654</u>	<u>440,154,370</u>	<u>(241,721,607)</u>	<u>198,432,763</u>

DOHA INSURANCE GROUP Q.P.S.C.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2022

9. BORROWINGS

	March 31, 2022 QR (Reviewed)	December 31, 2021 QR (Audited)
Loan (i)	24,660,343	25,363,149
Loan (ii)	20,515,163	21,269,152
Loan (iii)	83,677,823	105,307,611
Loan (iv)	53,735,390	53,735,390
	<u>182,588,719</u>	<u>205,675,302</u>

	Currency	Nominal interest rate	Year of maturity	Face Value	Carrying amount
Loan (i)	EUR	2.65%	31 March 2027	4,526,461	6,123,112
Loan (ii)	EUR	1.73%	31 July 2028	2,322,764	5,093,872
Loan (iii)	USD	LIBOR + 0.8%	Revolving Loan		22,975,789
Loan (iv)	USD	LIBOR + 0.85%	Revolving Loan		14,754,363

- i. In 2017, a loan was taken to purchase an investment property in Germany, by a subsidiary, Schwenke Zentrum S.a.r.l., which bears interest of 2.65%. It is repayable over a period of 256 months starting from May 30, 2017. The non-current portion of the loan as at period end amounted to QR 23,441,437 (December 31, 2021: QR 24,132,728). The loan is secured by a mortgage on the investment property amounting to QR 46,358,139 at March 31, 2022 (December 31, 2021: QR 47,427,537).
- ii. In 2018, additional loan was taken to purchase an investment property in Germany, by a subsidiary, Logistic Centre S.a.r.l. with the rate of 1.73% annually payable in monthly instalments until July 31, 2028. The non-current portion of the loan as at period end amounted to QR 19,256,423 (December 31, 2021: QR 19,567,401). The loan is secured by a mortgage on the investment property amounting to QR 44,325,936 (December 31, 2021: QR 41,858,890).
- iii. In 2021, the Group has availed credit facility amounting to USD 30 million from an investment management company to finance various investments. The facility bears interest at the rate of LIBOR + 0.8% and is repayable within one year. The facility is collateralized against investments amounting to USD 28.9 million as of reporting date.
- iv. In 2021, the Group has availed Murabaha facility through a subsidiary, Doha Takaful L.L.C. amounting to USD 30 million from an investment management company to finance various investments. The expected profit pay-out rate is LIBOR + 0.85% and is repayable within one year. The facility is collateralized against investments amounting to USD 14.75 million as of reporting date.

10. SHARE CAPITAL

	March 31, 2022 QR (Reviewed)	December 31, 2021 QR (Audited)
Authorized, issued, and fully paid up share capital 500,000,000 shares of QR 1 each	<u>500,000,000</u>	<u>500,000,000</u>

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

11. LEGAL RESERVE

In accordance with Qatar Central Bank's Law No. 13 of 2012 as amended, 10% of net profit is required to be transferred to legal reserve until the legal reserve equals 100% of the paid up capital. The balance under this reserve is not available for distribution, except in the circumstances specified in the above law and after Qatar Central Bank approval.

The Group did not make any transfer from the profit for the period as the required amount will be transferred by year end.

12. DIVIDENDS

The Board of Directors approved in its meeting held on 22 February 2022 to distribute a cash dividend of 12% of the share capital amounting to QR 0.12 per share totalling to QR 60,000,000 for the year ended December 31, 2021 which were duly approved by the General Assembly of the Company's Shareholders on 22 March 2022 (2021: QR 0.10 per share totalling to QR 50,000,000).

13. EARNINGS PER SHARE

	For the three - month period ended March 31,	
	2022	2021
	(Reviewed)	(Reviewed)
Profit attributable to the shareholders after tax (QR)	33,436,648	23,868,680
Weighted average number of shares outstanding during the period	500,000,000	500,000,000
Basic and diluted earnings per share (QR)	0.07	0.05

a) Diluted Earnings Per Share

No separate diluted earnings per share were calculated since the diluted earnings per share were equal to the basic earnings per share.

14. GENERAL AND ADMINISTRATIVE EXPENSES

	For the three month period ended March 31,	
	2022	2021
	QR	QR
	(Reviewed)	(Reviewed)
Salaries, wages and other benefits	19,839,017	18,468,827
Rent, maintenance and office expenses	1,175,648	1,396,451
Legal and consultation fees	606,195	660,271
Advertisement and business promotion	343,062	318,609
Board remuneration (Note 16)	1,750,000	1,500,000
Government fees	305,222	343,172
Business travel	52,967	46,817
Printing and stationery	89,935	64,256
Miscellaneous expenses	2,933,487	1,332,580
	27,095,533	24,130,983

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

15. SEGMENT INFORMATION

For management purposes, the Group is organised into three business segments, marine and aviation, motor, and fire and general accident. These segments are the basis on which the Group reports its primary segment information. Other operations of the Group comprise investment and cash management for the Group's own account. There are no material transactions between segments.

The Group operates primarily in the State of Qatar and the rest of operations outside Qatar are to support the core insurance and investment operations of the Company in the State of Qatar.

	Motor		Marine and Aviation		Fire and General Accident		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	QR	QR	QR	QR	QR	QR	QR	QR
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Gross premiums	67,288,103	64,126,844	51,435,113	38,919,574	303,312,688	212,131,652	422,035,904	315,178,070
Reinsurers' share of gross premiums	(5,347,876)	(5,220,593)	(54,780,190)	(35,935,946)	(216,688,275)	(148,557,751)	(276,816,341)	(189,714,290)
Net premiums	61,940,227	58,906,251	(3,345,077)	2,983,628	86,624,413	63,573,901	145,219,563	125,463,780
Change in unearned premium reserve	(11,425,362)	(10,177,548)	6,423,637	499,373	(23,862,170)	(14,663,257)	(28,863,895)	(24,341,432)
Underwriting revenue	50,514,865	48,728,703	3,078,560	3,483,001	62,762,243	48,910,644	116,355,668	101,122,348
Claims paid	(23,778,342)	(25,688,364)	(5,089,648)	(756,763)	(77,603,085)	(55,418,095)	(106,471,075)	(81,863,222)
Reinsurers' share of claims	521,955	294,011	4,941,262	644,120	47,005,333	26,447,264	52,468,550	27,385,398
Change in outstanding claims reserve	(11,838,816)	(4,310,371)	(600,730)	(173,762)	5,971,521	(3,516,620)	(6,468,025)	(8,000,753)
Commissions received	1,650,812	2,355,153	3,046,638	3,553,216	16,776,002	8,832,818	21,473,452	14,741,187
Commissions paid	(6,900,278)	(6,714,747)	(863,013)	(1,638,289)	(16,208,417)	(8,264,876)	(23,971,708)	(16,617,912)
Other technical expenses	(1,550,961)	(820,851)	(8,417)	(8,432)	(248,246)	(183,486)	(1,807,624)	(1,012,769)
Unallocated loss adjustment expenses	--	--	--	--	--	--	--	(287,362)
Net underwriting results	8,619,235	13,843,537	4,504,652	5,103,091	38,455,351	16,807,649	51,579,238	35,466,915
Investment and other income							12,625,091	17,657,006
Total expenses							28,932,608	(27,645,350)
Net surplus attributable to Takaful operation's policyholders							(1,835,072)	(1,609,891)
Income tax							--	--
Profit for the period	33,436,648		23,868,680					

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

15. SEGMENT INFORMATION (CONTINUED)

The Group operates in the State of Qatar, UAE, Luxembourg, Lebanon, and Jordan. The associate companies operate in the State of Qatar and the Republic of Yemen.

	March 31, 2022 (Reviewed)			December 31, 2021 (Audited)		
	Qatar QR	International QR	Total QR	Qatar QR	International QR	Total QR
Asset						
Total assets	2,958,435,800	171,106,986	3,129,542,786	2,834,231,371	173,856,927	3,008,088,298
Liabilities						
Insurance contract liabilities	1,341,931,976	78,642,335	1,420,574,311	1,237,332,686	82,181,246	1,319,513,932
Net surplus attributable to Islamic Takaful policyholders	25,281,807	--	25,281,807	23,446,735	--	23,446,735
Other liabilities	442,883,604	49,765,137	492,648,741	348,482,327	127,304,525	475,786,853
Net assets	1,148,338,413	42,699,514	1,191,037,927	1,224,969,623	(35,628,844)	1,189,340,778

DOHA INSURANCE GROUP Q.P.S.C.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2022

16. RELATED PARTY DISCLOSURES**Related party transactions**

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

Major shareholder represents shareholders having more than 1% of shareholding.

Related party transactions

Transactions with related parties included in the interim condensed consolidated statement of profit or loss are as follows:

	March 31, 2022		March 31, 2021	
	(Reviewed)		(Reviewed)	
	Premiums	Claims	Premiums	Claims
	QR	QR	QR	QR
Major shareholders	<u>19,205,437</u>	<u>1,050,132</u>	<u>12,355,782</u>	<u>1,493,671</u>

Related party balances

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

	March 31, 2022		December 31, 2021	
	(Reviewed)		(Audited)	
	Insurance and other receivable	Provisions, insurance, and other payables	Insurance and other receivable	Provisions, insurance, and other payables
	QR	QR	QR	QR
Major shareholders	<u>19,135,040</u>	<u>17,542</u>	<u>10,973,830</u>	<u>1,010,110</u>

Compensation of key management personnel

The remuneration of directors and other members of key management during the period was as follows:

	March 31, 2022	March 31, 2021
	QR	QR
	(Reviewed)	(Reviewed)
Board remuneration (Note 14)	1,750,000	1,500,000
Short-term benefits	2,280,000	2,155,000
End of service and other benefits	43,750	131,250
	<u>5,198,750</u>	<u>1,631,250</u>

DOHA INSURANCE GROUP Q.P.S.C.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the three month period ended March 31, 2022

17. CONTINGENCIES AND COMMITMENTS**Guarantees**

At March 31, 2022, the Group had contingent liabilities in respect of tender guarantees and other guarantees from which it is anticipated that no material liabilities will arise, amounting to QR 13,488,554 (December 31, 2021: QR. 14,534,714).

Legal claims

The Group is subject to litigations and claims in the normal course of its business. The Group does not believe that the outcome of these court cases will have a material impact on the Group's income or financial position.

18. FINANCIAL INSTRUMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) prices in active markets for identical assets or liabilities that the Group can access at the measurement date;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets of liability, either directly or indirectly; and

Level 3: Unobservable inputs for the asset or liability. The following table provides the fair value measurement hierarchy of the Group's financial asset and liabilities at March 31, 2022 and December 31, 2021:

	March 31, 2022	Level 1	Level 2	Level 3
	QR.	QR.	QR.	QR.
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
<i>Assets measured at fair value</i>				
Investments in financial assets	890,789,636	843,286,814	29,360,172	18,142,651
	December 31, 2021	Level 1	Level 2	Level 3
	QR.	QR.	QR.	QR.
	(Audited)	(Audited)	(Audited)	(Audited)
<i>Assets measured at fair value</i>				
Investments in financial assets	881,566,709	832,275,197	31,148,861	18,142,651

During the period ended March 31, 2022 and year ended December 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

Valuation technique for level 3 investments:

Equity investment	Valuation Technique
Jubail Development Company	Jubail Development Company (JDC) is predominantly a real estate development company with real estate assets in the eastern district of Saudi Arabia. Based on Jubail Development's nature of business, the net market value of its assets is used to measure its fair value.

DOHA INSURANCE GROUP Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

18. FINANCIAL INSTRUMENTS (CONTINUED)

Valuation technique for level 3 investments (Continued)

SAMENA	The net book value of the company is used to measure the fair value of the investments.
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19. IMPACT OF COVID-19

The World Health Organization declared on March 11, 2020 the Novel Coronavirus (Covid-19) as a global pandemic. This event has caused widespread disruptions to businesses and economic activity.

The Group has performed an assessment of COVID-19 implications on the financial results of the Group, in light of the available guidance of IFRS, and incorporated the outcome in these interim condensed consolidated financial statements.

The Group has considered the potential impacts of the current economic volatility in determination of the reported amounts of the financial and non-financial assets, and these are considered to represent management's best assessment based on observable information. Markets however remain volatile, and the recorded amounts remain sensitive to market fluctuations.

The Group is closely monitoring the situation and has activated its business continuity planning and other risk management practices to manage the potential business disruption COVID-19 outbreak may have on its operations and financial performance.

20. SUBSEQUENT EVENTS

There were no significant events after the reporting date, which have a bearing on the understanding of these financial statements.