



Qatar General Insurance & Reinsurance Company Q.P.S.C.

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT 31 DECEMBER 2024

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Qatar General Insurance and Reinsurance Company Q.P.S.C. Doha - Qatar

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Qatar General Insurance and Reinsurance Company Q.P.S.C. (the "Company"), and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with those requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those matters.

The key audit matter	How our audit addressed the key audit matter
<p>Valuation of estimates of present value of future cashflows under insurance contract liabilities and related reinsurance contract asset</p> <p>As at 31 December 2024, the liability for incurred claims (LIC) for contract and related reinsurance contract assets amounted to QR 713,576 million and QR 483,749 million (2023: QR 705,360 million and QR 493,691 million) respectively. This includes an estimate of the present value of future cash flows (PVFCF) liability and related reinsurance of QR 494,186 million and QR 471,071 million (2023: QR 484,905 million and QR 478,784 million) respectively, as detailed in note 16 to the consolidated financial statements.</p> <p>The valuation of the PVFCFs concerning the incurred claims represents the Group's expectations regarding future payments for known and unknown claims including associated expenses and involves actuarial models and several assumptions made by management. Its accuracy is dependent, inter alia, on the input data being correct.</p> <p>The valuation requires management to apply significant judgments, make significant estimates and use actuarial models. The risk of error arises as a result of inappropriate choice of actuarial methodologies, techniques and assumptions. Management used an internal actuary to assist them in the aforementioned determination.</p> <p>Furthermore, another key element of the valuation of the reinsurance contract asset is the determination of the allowance for impairment. The Group uses the expected credit loss model to estimate the impairment allowance. This requires management to make significant estimates, such as the probability of default, loss given details, expense at default and a discount rate.</p> <p>As a result of all the above factors, we consider the valuation of the PVFCFs included in LIC for contracts measured under the Premium Allocation Approach and the calculation of the impairment allowance on receivables reflected in the valuation of the reinsurance contract asset as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessed the key controls related to the integrity of the data used in the process of valuation of the PVFCFs related to the determination of the liability for incurred claims to determine if they had been appropriately designed and implemented. Evaluated and tested the data used in the process of valuation of the PVFCFs concerning liability for incurred claims. Tested samples of claims case reserves by comparing the estimated amount of the case reserve to appropriate documentation, such as reports from loss adjusters, contributions obtained from insurers, etc. Evaluated the objectivity, skills, qualifications and competence of the Group's internal actuary. <p>In addition, with the assistance of our internal actuarial specialists, we:</p> <ul style="list-style-type: none"> Determined if the calculation methods and the model used were appropriate. Assessed the following key assumptions: <ul style="list-style-type: none"> Loss ratios; Claims development factors; and Discount rates. Determined if the estimates applied in the current and prior year were consistent. Developed a point estimate or range based on our understanding of the Group's business, and evaluated the differences between management's point estimates and our point estimate or range. <p>With respect to the impairment allowance on the reinsurance contract asset, our audit procedures included the following:</p> <ul style="list-style-type: none"> Determined if the model used to determine the impairment allowance was in accordance with the requirements of IFRS Accounting Standards. Assessed the judgments and tested the data used in the impairment model calculations. Reperformed the calculation of the impairment allowance; <p>We also assessed the disclosures in the financial statements relating to this matter against the requirements of IFRS Accounting Standards.</p>

Other Matter

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 25 February 2024.

Other Information

Management is responsible for the other information. The other information comprises all information included in the annual report other than the consolidated financial statements and our auditor's report thereon. The annual report for the year 2024 is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and their preparation in compliance with the applicable provisions of Qatar Commercial Companies Law and the Company's articles of association, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to those charged with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the Qatar Commercial Companies Law, we report the following:

- We are of the opinion that proper books of account were maintained by the Group and physical inventory verification has been duly carried.

- We obtained all the information and explanations which we considered necessary for the purpose of our audit.

- To the best of our knowledge and belief and according to the information given to us, no contraventions of the applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Association were committed during the year which would materially affect the Group's financial position or its financial performance.

Doha - Qatar
9 February 2025

For Deloitte & Touche
Qatar Branch

Joseph Khalifa
Partner
License No. 433
QFMA Auditor License No. 120156

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	2024	2023
	QR '000	QR '000
Assets		
Property and equipment	19,125	29,819
Right-of-use assets	8,641	9,296
Investment properties	2,640,842	2,723,907
Investment in associates and joint venture	73,538	65,543
Reinsurance contract assets	594,290	511,301
Financial assets at fair value through other comprehensive income	1,657,266	1,609,103
Financial assets at fair value through profit or loss	127,714	166,806
Other assets	255,899	234,495
Cash and bank balances	325,203	263,915
	5,702,618	5,614,185
Assets held for sale	9,095	12,286
Total assets	5,711,713	5,626,471
Equity and liabilities		
Equity		
Share capital	875,067	875,067
Legal reserve	582,730	579,694
Risk reserve	500,000	500,000
Valuation reserve of investment properties	844,102	804,777
Reserve for share of profits of associates	45,910	39,132
Retained earnings	84,216	104,889
Other components of equity	479,674	427,544
Equity attributable to shareholders of the Parent Company	3,411,699	3,331,103
Non-controlling interests	(9,567)	(12,609)
Total equity	3,402,132	3,318,494
Liabilities		
Employees' end-of-service benefits	27,691	27,736
Insurance contract liabilities	1,036,900	930,357
Reinsurance contract liabilities	792	2,393
Loans and borrowings	942,624	1,054,382
Lease liabilities	30,693	31,400
Payables to related parties	16,185	16,280
Income tax liabilities	929	1,012
Other liabilities	252,754	243,106
	2,308,568	2,306,666
Liabilities directly associated with assets held for sale	1,013	1,311
Total liabilities	2,309,581	2,307,977
Total equity and liabilities	5,711,713	5,626,471

Aimen Saba Azara
Group Chief Executive Officer

Khalifa Bin Jassim Bin Mohammad Al Thani
Chairman of the Board

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024	2023
	QR '000	QR '000
Profit (loss) for the year	30,357	(1,613,546)
Other comprehensive income		
<i>Items that are or may be reclassified subsequently to profit or loss</i>		
Reclassification of foreign currency differences on loss of significant influence	22	248,528
Exchange differences on translation of foreign operations	(105)	17,372
Net gain on debt instruments at fair value through other comprehensive income	969	15,516
	886	281,416
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Net gain (loss) on equity instruments at fair value through other comprehensive income	46,857	(24,948)
Share of other comprehensive income (loss) of associates	1,856	(3,808)
Revaluation surplus	4,121	-
	52,834	(28,756)
Other comprehensive income for the year	53,720	252,660
Total comprehensive income (loss) for the year	84,077	(1,360,886)
Total comprehensive income (loss) attributable to:		
Shareholders of the Parent Company	81,035	(1,213,322)
Non-controlling interests	3,042	(147,564)
	84,077	(1,360,886)
Total comprehensive income (loss) attributable to shareholders of the Parent Company arises from:		
Continuing operations	83,208	(1,212,658)
Discontinued operations	(2,173)	(664)
	81,035	(1,213,322)

Note: for the complete version of our consolidated financial statements, please visit our website: www.qgirc.com



CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	2024	2023
	QR '000	QR '000
Insurance revenue	885,263	768,212
Insurance service expenses	(492,039)	(420,947)
Net expenses from reinsurance contracts	(358,068)	(332,472)
Insurance service result	35,156	14,793
Net finance expenses from insurance contracts	(16,678)	(19,099)
Net finance income from reinsurance contracts	11,848	13,931
Net insurance finance expenses	(4,830)	(5,168)
Rental income	26,542	10,974
Investment income	86,646	43,770
Net realized gains	4,788	3,909
Impact of loss of significant influence over investment in associates	53	(199,702)
Fair value gains (losses)	17,957	(1,316,284)
Impact of loss of control of a subsidiary	-	120,324
Revenue from sales and construction activities	1,945	8,446
Other income	14,161	3,320
Investment and other operations results	152,092	(1,325,243)
Finance cost	(77,656)	(78,901)
Cost of sales and construction activities	(2,413)	(9,117)
Net impairment loss on financial assets	(3,997)	(131,659)
Other operating and administrative expenses	(81,207)	(123,405)
Total other expenses	(165,273)	(343,082)
Profit (loss) from operations	17,145	(1,658,700)
Share of profit of associates	15,623	46,151
Profit (loss) before tax	32,768	(1,612,549)
Income tax expenses	(238)	(333)
Profit (loss) from continuing operations	32,530	(1,612,882)
Loss from discontinued operations	(2,173)	(664)
Profit (loss) for the year	30,357	(1,613,546)
Profit (loss) attributable to:		
Shareholders of the Parent Company	28,963	(1,465,982)
Non-controlling interests	1,394	(147,564)
	30,357	(1,613,546)
Earnings (losses) per share		
Basic and diluted earnings (losses) per share (in Qatari Riyals per share)	0.033	(1.675)
Earnings (losses) per share for continuing operations		
Basic and diluted earnings (losses) per share (in Qatari Riyals per share)	0.035	(1.674)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	2024	2023
	QR '000	QR '000
Operating activities		
Profit (loss) from continuing operations before tax	32,768	(1,612,549)
Loss from discontinued operations before tax	(2,173)	(664)
Profit (loss) for the year before tax	30,595	(1,613,213)
Adjustment for:		
Fair value (gains) losses	(17,957)	1,316,284
Impact of loss of control of a subsidiary	-	(120,324)
Impact of loss of significant influence over investment in associates	(53)	199,702
Impairment loss on financial assets	3,997	131,361
Impairment loss on property and equipment	-	4,392
Impairment loss on inventories	1,351	-
Share of profit of associates	(15,616)	(46,046)
Depreciation of property and equipment and right-of-use assets	4,487	6,237
Gain from sale of property and equipment	(1,396)	(1,028)
(Gain) loss from sale of debt instruments at fair value through other comprehensive income	(306)	1,072
Gain from sale of financial assets at fair value through profit or loss	(2,311)	(327)
Gain from sale of investment properties	(2,113)	(4,524)
Gain from foreign currency translation	(178)	(443)
Impact on rent concession and derecognition of a lease liability	(293)	-
Dividend income	(73,488)	(29,639)
Interest income	(13,355)	(14,292)
Finance cost	77,656	78,901
Provision for employees' end-of-service benefits	3,584	4,162
Net changes in:		
Insurance and reinsurance contract assets/liabilities	21,076	49,745
Receivables from related parties	(2,729)	(72)
Other assets	8,423	4,724
Payables to related parties	(95)	214
Other liabilities	9,284	11,654
Cash from (used in) operations	30,963	(19,460)
Income tax paid	(321)	(363)
Employees' end-of-service benefits paid	(4,002)	(3,793)
Net cash from (used in) operating activities	26,640	(23,616)
Investing activities		
Additions to property and equipment	(4,148)	(1,782)
Additions to investment properties	(53,308)	(19,379)
Proceeds from sale of property and equipment	1,438	1,610
Proceeds from sale of investment properties	167,033	55,614
Dividends received from associates	8,844	44,733
Dividends received from financial assets	39,892	24,192
Purchase of financial assets at fair value through profit or loss	(18,133)	(31,916)
Proceeds from sale of financial assets at fair value through other comprehensive income	978	9,164
Proceeds from sale of financial assets at fair value through profit or loss	64,692	33,829
Interest received	12,564	15,462
Movement in term deposits	(107,960)	(1,122)
Proceeds from liquidation of an associate	739	-
Derecognition arising from loss of control of a subsidiary	-	(639)
Net cash from investing activities	112,631	129,766
Financing activities		
Repayment of loans and borrowings	(108,908)	(48,224)
Finance cost paid	(74,110)	(59,383)
Payment of lease liabilities	(3,583)	(3,070)
Net cash used in financing activities	(186,601)	(111,377)
Net decrease in cash and cash equivalents	(47,330)	(5,227)
Cash and cash equivalents at the beginning of the year	220,855	226,082
Cash and cash equivalents at the end of the year	173,525	220,855

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Equity attributable to shareholders of the Parent Company										Non-controlling interests	Total equity
	Share capital	Legal reserve	Risk reserve	Valuation reserve of investment properties	Reserve for share of profit of associates	Retained earnings	Other components of equity			Total		
							Fair value reserve	Revaluation surplus	Foreign currency translation reserve			
QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	
At 31 December 2023	875,067	579,694	500,000	804,777	39,132	104,889	421,334	6,226	(16)	3,311,103	(12,609)	3,318,494
Profit for the year	-	-	-	-	-	28,963	-	-	-	28,963	1,394	30,357
Other comprehensive income (loss)	-	-	-	-	-	-	49,682	2,473	(83)	52,072	1,648	53,720
Total comprehensive income (loss)	-	-	-	-	-	28,963	49,682	2,473	(83)	81,035	3,042	84,077
Transfer to legal reserve	-	3,036	-	-	-	(3,036)	-	-	-	-	-	-
Net transfer to valuation reserve of investment properties	-	-	-	39,325	-	(39,325)	-	-	-	-	-	-
Transfer of share of profit of associates, net of dividends received from associates	-	-	-	-	6,778	(6,778)	-	-	-	-	-	-
Transfer of cumulative losses on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	-	(58)	58	-	-	-	-	-
Contribution to social and sport activities fund	-	-	-	-	-	(439)	-	-	-	(439)	-	(439)
At 31 December 2024	875,067	582,730	500,000	844,102	45,910	84,216	471,074	8,699	(99)	3,411,699	(9,567)	3,402,132

	Equity attributable to shareholders of the Parent Company										Non-controlling interests	Total equity
	Share capital	Legal reserve	Risk reserve	Valuation reserve of investment properties	Reserve for share of profit of associates	Retained earnings	Other components of equity			Total		
							Fair value reserve	Revaluation surplus	Foreign currency translation reserve			
QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	QR '000	
At 31 December 2022 (as previously reported)	875,067	579,694	500,000	1,806,223	37,714	570,976	435,951	6,226	(265,916)	4,545,935	14,631	4,560,566
Adjustment on initial application of IFRS 17	-	-	-	-	-	(1,256)	-	-	-	(1,256)	-	(1,256)
At 31 December 2022 (Restated)	875,067	579,694	500,000	1,806,223	37,714	569,720	435,951	6,226	(265,916)	4,544,679	14,631	4,559,310
Loss for the year	-	-	-	-	-	(1,465,982)	-	-	-	(1,465,982)	(147,564)	(1,613,546)
Other comprehensive (loss) income	-	-	-	-	-	-	(13,240)	-	265,900	252,660	-	252,660
Total comprehensive (loss) income	-	-	-	-	-	(1,465,982)	(13,240)	-	265,900	(1,213,322)	(147,564)	(1,360,886)
Derecognition of non-controlling interests due to loss of control	-	-	-	-	-	-	-	-	-	-	120,324	120,324
Net transfer to valuation reserve of investment properties	-	-	-	(1,001,446)	-	1,001,446	-	-	-	-	-	-
Transfer of share of profit of associates, net of dividends received from associates	-	-	-	-	1,418	(1,418)	-	-	-	-	-	-
Transfer of cumulative gains or losses attributable to General Takaful Policyholders on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	-	(254)	-	-	-	(254)	-	(254)
Transfer of cumulative gains on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	-	1,377	(1,377)	-	-	-	-	-
At 31 December 2023	875,067	579,694	500,000	804,777	39,132	104,889	421,334	6,226	(16)	3,331,103	(12,609)	3,318,494

Note: for the complete version of our consolidated financial statements, please visit our website: www.aqirco.com