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Oman Qatar Insurance Company SAOG

OMAN QATAR INSURANCE COMPANY SAOG

Interim condensed report and financial statements
For the Period Ended 30th September 2023

Registered address:

P.O.Box 3660
4th Floor, Al Nawras Commercial Centre
Al Khuwair 112
Muscat, Sultanate of Oman

Oman Qatar Insurance Company SAOG

Interim condensed statement of financial position
As of 30th September 2023 (IFRS 17)

Amounts in OMR

	Note No.	30 Sep 2023 (Unaudited)	31 Dec 2022 (Restated & Unaudited)	31 Dec 2021 (Restated & Unaudited)
ASSETS				
Cash and cash equivalents	6	**8,907,036**	3,813,089	2,510,380
Bank deposits	7	**27,204,935**	12,371,570	15,686,535
Reinsurers contract assets	5 (b)	**39,071,486**	25,081,276	29,385,179
Insurance contract assets	5 (a)	**1,211,449**	8,963	188,277
Other receivables and prepayments	8	**1,741,899**	371,970	359,472
Financial investments	9	**27,431,825**	18,990,074	15,063,225
Property and equipment	10	**840,057**	84,135	83,028
Right to Use Asset	11	**139,529**	178,167	158,800
Total assets		**106,548,216**	60,899,246	63,434,896
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	13	**21,998,840**	10,000,000	10,000,000
Legal reserve		**1,808,438**	1,808,438	1,521,020
Contingency reserve		**5,943,523**	5,943,523	5,498,753
Insurance Finance Reserve		**(284,514)**	(176,243)	124,500
Fair value reserve		**(80,622)**	(82,758)	(18,948)
Retained earnings		**5,783,338**	3,471,163	896,816
Total equity		**35,169,003**	20,964,122	18,022,141
Liabilities				
Insurance contract liabilities	5 (a)	**58,281,515**	32,369,457	39,121,772
Reinsurance contract liabilities	5 (b)	**2,500,154**	431,404	878,646
Other liabilities and accruals	12	**10,597,544**	7,134,263	5,412,338
Total liabilities		**71,379,213**	39,935,124	45,412,756
Total equity and liabilities		**106,548,216**	60,899,246	63,434,896

H.E. Khalaf Ahmed Al Mannai
Chairman

Hasan Yaseen Ali Al Lawati
Chief Executive Officer

Oman Qatar Insurance Company SAOG

Interim condensed statement of P&L and other comprehensive income
For the Period Ended 30th September 2023 (IFRS 17)

Amounts in OMR

	Note No.	30 Sep 2023 (Unaudited)	30 Sep 2022 (Unaudited & Restated)
Insurance revenue	14	**45,728,420**	25,509,634
Insurance service expenses	14	**(25,045,731)**	(3,428,475)
Net expenses from reinsurance contract	14	**(18,827,987)**	(19,615,171)
Insurance service result		**1,854,701**	2,465,989
Insurance finance (expenses)/income for insurance contracts issued	14	**(1,126,227)**	(189,651)
Reinsurance finance income / (expenses) for reinsurance contracts held	14	**1,047,667**	281,647
Net insurance financial results		**1,776,141**	2,557,985
Investment income	14	**2,022,827**	2,933,554
Investment Advisory Fees	14	**(82,143)**	(60,643)
Gain on Acquisition of Vision Insurance SAOG	14	**107,817**	-
Rental Income	14	**18,950**	-
Other Income	14	**2,078**	-
Total investment & other income		**2,069,529**	2,872,911
TOTAL INCOME		**3,845,670**	5,430,896
Operating and administrative expenses	14	**(1,114,184)**	(690,412)
Depreciation	14	**(171,513)**	(203,546)
Profit / (loss) before taxation		**2,559,974**	4,536,938
Income tax expense	14	**(350,531)**	(326,804)
Profit / (loss) for the period		**2,209,443**	4,210,134
Other comprehensive income / (expense)			
Net change in fair value of financial assets		**2,136**	(63,810)
Net finance income/(expense) from insurance contracts		**(279,002)**	730,630
Net finance income/(expense) from reinsurance contracts		**170,732**	(1,073,403)
Total comprehensive income/(expense) for the period		**2,103,308**	3,803,551
Earnings / (loss) per share-basic and diluted	16	**0.013**	0.038

Oman Qatar Insurance Company SAOG

Interim condensed statement of cash flows

For the Period Ended 30th September 2023 (IFRS 17)

Amounts in OMR

	30 Sep 2023 *(Unaudited)*	30 Sep 2022 *(Unaudited & Restated)*
Cash flows from operating activities		
Profit / (loss) before tax for the period	**2,559,974**	4,536,938
Adjustments for :		
Depreciation of property and equipment	**171,513**	203,546
Investment Income & Other Income	**(2,542,806)**	(2,225,623)
Provision for employees' end of service benefits	**109,753**	90,267
Net unrealised gain on investments	**473,278**	(695,697)
	771,712	**1,909,430**
Working Capital Changes		
Insurance and reinsurance contracts	**12,788,113**	(8,096,175)
Other receivables	**(415,169)**	429,884
Other payables	**3,463,281**	11,338,416
Operating cash flows before changes in operating assets and liabilities	**16,607,936**	**5,581,555**
Employees' end of service benefits paid	**(12,533)**	(1,035,149)
Income Tax, VAT & Withholding tax paid	**(2,065,655)**	-
Net cash generated from / (used in) operating activities	**14,529,749**	4,546,406
Cash flows from investing activities		
Net movement in Investments	**(23,275,115)**	(1,184,094)
Net Investment income and other income	**2,542,806**	2,225,623
Acquisition of property and equipment	**(160,117)**	(14,239)
Proceeds from sale of property and equipment	**40,882**	-
Gain on Acquisition of Vision Insurance SAOG	**107,817**	-
Net cash generated from / (used in) investing activities	**(20,743,727)**	1,027,290
Cash flows from financing activities		
Lease Liabilities Paid	(46,040)	(142,504)
Proceeds from additional Share Capital	11,998,840	-
Dividends paid during the period	(644,874)	(700,000)
Net cash generated from / (used in) financing activities	**11,307,926**	**(842,504)**
Net increase / (Decrease) in cash and cash equivalents	5,093,947	4,731,192
Cash and cash equivalents at the beginning of the period	**3,813,089**	2,510,380
Cash and cash equivalents at the end of the period (Refer note 3)	**8,907,036**	7,241,572

Oman Qatar Insurance Company SAOG

Interim condensed statement of changes in equity
For the Period Ended 30th September 2023 (IFRS 17)

Amounts in OMR

	Share Capital	*Legal Reserve*	*Fair Value Reserve*	*Insurance Finance Reserve*	*Contingency Reserve*	*Retained earnings*	*Total Equity*
At 1 January 2022 (Restated)	10,000,000	1,521,020	(18,948)	124,500	5,498,753	896,816	18,022,141
Profit for the year - (Restated)	-	-	-	-	-	4,006,536	4,006,536
Effect of changes in interest rates and other financial assumptions (Net of RI)	-	-	-	(300,743)	-	-	
Net change in fair value of financial assets	-	-	(63,810)	-	-	-	(63,810)
Total comprehensive income for the period	-	-	(63,810)	(300,743)	-	4,006,536	3,641,983
Cash Dividend paid for the year 2021	-	-	-	-	-	(700,000)	(700,000)
Transfer to contingency reserve	-	-	-	-	444,770	(444,770)	-
Transfer to legal reserve	-	287,418	-	-	-	(287,418)	-
At 31 December 2022 (Unudited & Restated)	**10,000,000**	**1,808,438**	**(82,758)**	**(176,243)**	**5,943,523**	**3,471,163**	**20,964,123**
At 1 January 2023	**10,000,000**	**1,808,438**	**(82,758)**	**(176,243)**	**5,943,523**	**3,471,163**	**20,964,122**
Profit for the year	**-**	**-**	**-**		**-**	**2,209,443**	**2,209,443**
Vision Insurance - Adjustment (IFRS 17)						**747,607**	**747,607**
Effect of changes in interest rates and other financial assumptions (Net of RI)	**-**	**-**	**-**	**(108,270)**	**-**	**-**	**(108,270)**
Net change in fair value of financial assets	**-**	**-**	**2,136**		**-**	**-**	**2,136**
Total comprehensive income for the three months period	**-**	**-**	**2,136**	**(108,270)**	**-**	**2,957,050**	**2,850,915**
Cash Dividend paid for the year 2022	**-**	**-**	**-**		**-**	**(644,874)**	**(644,874)**
Transfer to contingency reserve	**-**	**-**	**-**		**-**	**-**	**-**
Additional Share Capital Issued	**11,998,840**	**-**	**-**		**-**	**-**	**11,998,840**
Transfer to legal reserve	**-**	**-**	**-**		**-**	**-**	**-**
At 30 September 2023 (Unudited & Restated)	**21,998,840**	**1,808,438**	**(80,622)**	**(284,514)**	**5,943,523**	**5,783,338**	**35,169,003**

The attached notes 1 to 20 form part of these interim condensed financial statements.

1. General

Oman Qatar Insurance Company SAOG (the "Company") is registered as a publicly held joint stock company registered and incorporated in the Sultanate of Oman. The Company is engaged in the business of life and general insurance within the Sultanate of Oman. The registered address of the Company is P O Box 3660, Postal Code 112, Sultanate of Oman. The Company started its operations from 21 July 2004. The Company was granted General & Life insurance license by the Capital Market Authority (Oman) valid up to 20 June 2024. The Company is a subsidiary of Qatar Insurance Company S.A.Q., a public joint stock company incorporated in the State of Qatar, whose registered address is at P O Box 666, Doha, State of Qatar.

2. Basis of preparation and changes to the company's accounting policies

2.1. Basis of preparation & accounting

The interim condensed financial statements for the period ended 30 September 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2022.

In addition, results for the period ended 30 September 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

These interim condensed financial statements have been prepared in accordance with IFRS standards and were approved by a resolution of the Board of directors and were signed on it's behalf on 27th Nov 2023.

This is the first set of the interim condensed financial statements for Half Year 2023 in which IFRS 17 Insurance Contracts and Expected Credit Losses of insurance and reinsurance receivable as per IFRS 9 Financial instruments is applied. The related changes to significant account policies are described in Note 2.3 & 3.

2.2. New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2022 except IFRS 4 Insurance contract which is replaced by IFRS 17.

During the current period, the Company adopted the below amendments to International Financial Reporting Standards ("IFRS") that are effective for annual periods beginning on 1 January 2023:

Effective date	*New Standard/Amendments*
1 Janyary 2023	•Classification of Liabilities as Current or Non-current - Amendments to IAS 1 •IFRS 17 Insurance Contracts •Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 •Definition of Accounting Estimates - Amendments to IAS 8 •Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12
Available for optional adoption/ effective date deferred indefinitely	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

The adoption of the above amendments has had no significant impact on the interim condensed financial statements except for IFRS 17 Insurance Contracts the effect of which are described in Note 2.5.

Standard issued but not yet effective

The below new and amended International Financial Reporting Standards ("IFRS" or "standards") that are available for early adoption for financial years beginning on and after 1 January 2022 and have not been applied in preparing these interim condensed consolidated financial statements:

Effective date	*New Standard/Amendments*
1 Janyary 2024	•Non-current Liabilities with Covenants – Amendments to IAS 1. •Classification of Liabilities as Current or Non-current – Amendments to IAS 1. •Lease Liability in a Sale and Leaseback – amendments to IFRS 16.
Available for optional adoption/ effective date deferred indefinitely	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

Management does not expect that the adoption of the above new and amended standards will have a significant impact on these interim condensed financial statements.

2.3 IFRS 17 Insurance Contracts

IFRS 17 replaces IFRS 4 Insurance Contracts for annual periods on or after 1 January 2023. The Company has restated comparative information for 2022. The nature of the changes in accounting policies can be summarised, as follows:

Changes to classification and measurement

The adoption of IFRS 17 did not change the classification of the Company's insurance contracts. However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Company.

Under IFRS 17, the Company's insurance contracts issued and reinsurance contracts held are all eligible to be measured by applying the Premium Allocation Approach (PAA). The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17.

2.3.1 Changes to the impairment calculation of insurance and reinsurance receivables

The Compnay started the adoption of IFRS 9 on insurance and reinsurance receivables to recognises a loss allowance for expected credit losses ("ECL"). The adoption of the ECL requirements of IFRS 9 shall result in increases /decrease in impairment allowances in respect of the Company's insurance and reinsurance receivables. The increase in allowance was adjusted to retained earnings.

3. SUMMAY OF SIGNIFICANT ACCOUNTING POLICIES
3.1 Insurance and reinsurance contracts classification

The Company issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, The Company determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. The Company issues life and non-life insurance to individuals and businesses. Non-life insurance products include property, marine, and health. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage because of a policyholder's accident. The Company also issues reinsurance contracts in the normal course of business to compensate other entities for claims arising from one or more insurance contracts issued by those entities.

The Company does not issue any contracts with direct participating features.

3.2 Insurance and reinsurance contracts accounting treatment

3.2.1 Separating components from insurance and reinsurance contracts
The Company assesses its non-life insurance and reinsurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. After separating any distinct components, the Company applies IFRS 17 to all remaining components of the (host) insurance contract. Currently, The Company's products do not include any distinct components that require separation.

Some reinsurance contracts issued contain profit commission arrangements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive – either in the form of profit commission, or as claims, or another contractual payment irrespective of the insured event happening. The minimum guaranteed amounts have been assessed to be highly interrelated with the insurance component of the reinsurance contracts and are, therefore, non-distinct investment components which are not accounted for separately. However, receipts and payments of these investment components are recognised outside of profit or loss.

3.2.2 Level of aggregation
IFRS 17 requires The Company to determine the level of aggregation for applying its requirements. The level of aggregation for the Company is determined firstly by dividing the business written into portfolios. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. This means that, for determining the level of aggregation, The Company identifies a contract as the smallest 'unit', i.e., the lowest common denominator.
However, The Company makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management). IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart. The Company has elected to group together those contracts that would fall into different groups only because law or regulation specifically constrains its practical ability to set a different price or level of benefits for policyholders with different characteristics.

The Company applied a full retrospective approach for transition to IFRS 17. The portfolios are further divided by year of issue and profitability for recognition and measurement purposes.

Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:
- A group of contracts that are onerous at initial recognition (if any)
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any)
- A group of the remaining contracts in the portfolio (if any)

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. The Company assumes that no contracts in the portfolio are onerous at initial recognition unless facts and circumstances indicate otherwise.

For contracts that are not onerous, the Company assesses, at initial recognition, that there is no significant possibility of becoming onerous subsequently by assessing the likelihood of changes in applicable facts and circumstances. The Company considers facts and circumstances to identify whether a group of contracts are onerous based on:

•Pricing information
•Results of similar contracts it has recognised
•Environmental factors, e.g., a change in market experience or regulations

The Company divides portfolios of reinsurance contracts held applying the same principles set out above, except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract.

3.2.3 Recognition

The Company recognises groups of insurance contracts it issues from the earliest of the following:

• The beginning of the coverage period of the group of contracts
• The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no du date
•For a group of onerous contracts, if facts and circumstances indicate that the group is onerous

The Company recognises a group of reinsurance contracts held it has entered from the earlier of the following:

the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

And

• The date the Company recognises an onerous group of underlying insurance contracts if the Company entered the relate reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Company adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

3.2.4 Contract boundary

The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums, or in which the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

• The Company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or leve of benefits that fully reflects those risks

Or

• Both of the following criteria are satisfied:
• The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract an as a result, can set a price or level of benefits that fully reflects the risk of that portfolio
• The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate t periods after the reassessment date A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognised. Such amounts relate to future insurance contracts.

3.2.5 Measurement - Premium Allocation Approach

	IFRS 17 Options	*Adopted approach*
PremiumAllocationApproach (PAA) Eligibility	Subject to specified criteria, the PAA can be adopted as a simplified approach to the IFRS 17 general model	Coverage period for health insurance assumed is one year or less and so qualifies automatically for PAA. Both marine insurance and property insurance include contracts with coverage period greater than one year. However,there is no material difference in the measurement of the liability for remaining coverage between PAA and the general model, therefore, these qualify for PAA
Insurance acquisition cash flows for insurance contracts issued	Where the coverage period of all contracts within a group is no longer than one year, insurance acquisition cash flows can either be expensed as incurred, or allocated, using a systematic and rational method, to groups of insurance contracts (including future groups containing insurance contracts that are expected to arise from renewals) and then amortised over the coverage period of the related group. For groups containing contracts longer than one year, insurance acquisition cash flows must be allocated to related groups of insurance contracts and amortised over the coverage period of the related group	For all business, insurance acquisition cash flows are allocated to related groups of insurance contracts and amortised over the coverage period of the related group
Liability for Remaining Coverage (LFRC), adjusted for financial risk and time value of money	Where there is no significant financing component in relation to the LFRC, or here the time between providing each part of the services and the related premium due date is no more than a year, an entity is not required to make an adjustment for accretion of interest on the LFRC.	For all businesses, there is no allowance as the premiums are received within one year of the coverage period. Where the premium due date and the related period of services are more than 12 months the Company has assessed the amount as immaterial, as such no discounting is required.
Liability for Incurred Claims, (LFIC) adjusted for time value of money.	Where claims are expected to be paid within a year of the date that the claim is incurred, it is not required to adjust these amounts for the time value of money.	For all businesses, the LFIC is adjusted for the time value of money.
Insurance finance income and expense	There is an option to disaggregate part of the movement in LFIC resulting from changes in discount rates and present this in OCI	For all business,the Company disaggregates part of the movement in LFIC resulting from changes in discount rates and present this in OCI

3.2.5.1. Insurance contracts – initial measurement

The Company applies the premium allocation approach (PAA) to all the insurance contracts that it issues and reinsurance contracts that it holds, as:

•The coverage period of each contract in the group is one year or less, including insurance contract services arising from all premiums within the contract boundary (refer to 3.2.4)

Or

•For contracts longer than one year, the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, The Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

For a group of contracts that is not onerous at initial recognition, the Company measures the liability for remaining coverage as:

•The premiums, if any, received at initial recognition

•Minus any insurance acquisition cash flows at that date, unless the entity chooses to recognize the payment as an expense

•Plus or minus any amount arising from the derecognition at that date of the asset recognised for insurance acquisition cash flows and

•Any other asset or liability previously recognised for cash flows related to the group of contracts that the Company pays or receives before the group of insurance contracts is recognised.

For all businesses, the liability for remaining coverage is not discounted to reflect the time value of money and the effect of financial risk.

Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the Company being equal to the fulfilment cash flows.

3.2.5.2. Reinsurance contracts held – initial measurement

The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on to the same basis as insurance contracts that it issues. However, they are adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Where the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The Company calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts and the percentage of claims on the underlying insurance contracts the Company expects to recover from The Company of reinsurance contracts held. The Company uses a systematic and rational method to determine the portion of losses recognised on The Company to insurance contracts covered by The Company of reinsurance contracts held where some contracts in the underlying group are not covered by The Company of reinsurance contracts held.

The loss-recovery component adjusts the carrying amount of the asset for remaining coverage

3.2.5.3. Insurance contracts – subsequent measurement

The Company measures the carrying amount of the liability for remaining coverage at the end of each reporting period as the liability for remaining coverage at the beginning of the period:

•Plus premiums received in the period

•Minus any insurance acquisition cash flows at that date, unless the entity chooses to recognize the payment as an expense

•Plus any amounts relating to the amortisation of the insurance acquisition cash flows recognised as an expense in the reporting period for The Company

•Plus any adjustment to the financing component, where applicable

•Minus the amount recognised as insurance revenue for the services provided in the period

•Minus any investment component paid or transferred to the liability for incurred claims if any

The Company estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the group and include an explicit adjustment for non-financial risk (the risk adjustment).

The Company adjusts the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected. Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, The Company recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for The Company being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognised. For additional disclosures on the loss component, please refer to Note 3.2.6.2.

3.2.5.4. Reinsurance contracts held – subsequent measurement
The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance held.

Where The Company has established a loss-recovery component, The Company subsequently reduces the loss- recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

3.2.5.5. Insurance acquisition cash flows
Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs.

The Company uses a systematic and rational method to allocate:

Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:
i.to that group; and
ii.to groups that include insurance contracts that are expected to arise from the renewals of the insurance contracts in that group.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised in the statement of consolidated financial position, a separate asset for insurance acquisition cash flows is recognised for each related group.

The asset for insurance acquisition cash flow is derecognised from the consolidated statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts.

3.2.5.6. Insurance contracts – modification and derecognition
The Company derecognises insurance contracts when:
•The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired)
Or
•The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognises the initial contract and recognises the modified contract as a new contract

When a modification is not treated as a derecognition, the Company recognises amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

3.2.6. Presentation
For presentation in the statement of financial position, the Company will aggregate insurance and reinsurance contracts issued and reinsurance contracts held, respectively and present separately:

•Portfolios of insurance and reinsurance contracts issued that are assets.
•Portfolios of insurance and reinsurance contracts issued that are liabilities.
•Portfolios of reinsurance contracts held that are assets.
•Portfolios of reinsurance contracts held that are liabilities.

The portfolios referred to above are those established at initial recognition in accordance with the IFRS 17 requirements. Portfolios of insurance contracts issued include any assets for insurance acquisition cash flows.

The line-item descriptions in the statement of profit or loss have been changed significantly compared with last year. previously, the Company reported the following line items:

•Gross premiums
•Premium ceded to reinsurers
•Net premiums
•Movement in unexpired risk reserve
•Gross claims paid
•Reinsurance recoveries
•Movement in outstanding claims
•Net commission
•Net underwriting result

Instead, IFRS 17 requires separate presentation of:

•Insurance revenue.
•Insurance service expenses.
•Net income or expense from reinsurance contracts held.
•Net finance expense from insurance contracts

However, no recoverability assessment was performed before the transition date. At transition date, a recoverability assessment was performed, and no impairment loss was identified.
•Derecognized any existing balances that would not exist had IFRS 17 always applied
•Recognized any resulting net difference in equity

3.2.6.1. Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component if any) allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made based on the expected timing of incurred insurance service expenses and release of risk.

The Company changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

3.2.6.2. Loss components

The Company assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances mentioned in Note 3.2.2 indicate that a group of insurance contracts is onerous, The Company establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of The Company over the carrying amount of the liability for remaining coverage of The Company as determined in Note 3.2.5.3. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

3.2.6.3. Loss-recovery components

The Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, The Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the expected recovery of the losses.

A loss-recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the entity expects to recover from the group of reinsurance contracts held.

3.2.6.4. Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:
•The effect of the time value of money and changes in the time value of money; and
•The effect of financial risk and changes in financial risk.

The Company disaggregates insurance finance income or expenses on insurance contracts between profit or loss and OCI. The impact of changes in market interest rates on the value of the insurance assets and liabilities are reflected in OCI.

3.2.6.5. Net income or expense from reinsurance contracts held

The Company presents the amount expected to be recovered from reinsurers, and allocation of reinsurance premium paid together as Net income / (expense) from reinsurance contracts separately on the face of the consolidated statement of profit or loss. The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the consolidated statement of profit or loss.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the interim condensed financial statements in conformity with International Financial Reporting Standards ("IFRS") requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates of future cash flows
In estimating future cash flows, The Company will incorporate, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. The assumptions will be based on internal historical claims experience as well as external data (benchmarks) to reflect the current claims and economic environment.

These assumptions will also reflect expected future developments such as inflation trends or changes in legislation when these have a material chance of materialising.

Cash flows will also include direct attributable internal expenses in relation to servicing the contracts at the reporting date, whether these costs pertain to the policies such new endorsements and cancellations or whether these costs relate to settling and paying all remaining claims.

Cash flows within the boundary of a contract are those that relate directly to the fulfilment of the contract, including those for which the Company has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts. Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Discount rates
The IFRS17 requirement to measure liabilities for insurance contracts using current discount rates will be a significant change from the Company's current practice.
Insurance contract liabilities are calculated by discounting expected future cash flows using yield curves internally derived reflecting a fair value and market-consistent interest rates that two willing parties would accept in a liability transfer transaction. The starting point for constructing these yield curves are risk-free rates for each major currency. These are subsequently adjusted with illiquidity premiums and credit risks for instance to derive fair value rates.

Risk adjustments for non-financial risk
The risk adjustment for non-financial risk is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects a margin that an insurer is willing to load its reserves with to reduce the uncertainty that future cash flows will exceed the expected value amount. The Company's appetite is to set a risk adjustment no lesser than the 70th percentile and no greater than the 75th percentile, allowing for diversification benefit between all product lines written and territories. That is, The Company has assessed its indifference to uncertainty for all product lines (as an indication of the compensation that it requires for bearing non-financial risk) as being equivalent to a point within the 70th to 75th percentiles confidence level less the mean of an estimated probability distribution of the future cash flows. Although the risk adjustment is calculated separately for the Insurance Liabilities and the Reinsurance Assets, it is actually on a net of reinsurance basis that the Company reviews it.

5. Insurnace and Reinsurnace Contracts

5(a). Insurnace Contracts

Analysis by remaining coverage and incurred claims:

Figures in OMR

	30-Sep-23				
	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adj. for non-fin.risk	
Insurance contract assets as at 01/01/2023	(43,792)	-	33,517	1,312	(8,963)
Insurance contract liabilities as at 01/01/2023	11,992,797	518,352	44,262,411	2,197,826	58,971,386
Net insurance contract liabilities as at 01/01/2023	11,949,004	518,352	44,295,928	2,199,138	58,962,423
Insurance revenue	(45,728,420)	-	-	-	(45,728,420)
Insurance service expenses	-	-	-	-	-
Incurred claims and other directly attributable expenses	-	(419,513)	29,052,628	569,121	29,202,236
Amortisation of insurance acquisition cash flows	2,507,817	-	-	-	2,507,817
Changes that relate to past service - adjustments to the liability for incurred claims	-	-	(6,362,034)	(302,288)	(6,664,323)
Total insurance service expense	2,507,817	(419,513)	22,690,594	266,833	25,045,731
Insurance service result	(43,220,603)	(419,513)	22,690,594	266,833	(20,682,689)
Impact of discounting on insurance contract liabilities	-	-	1,126,228	-	1,126,228
Effect of changes in interest rates and other financial assumptions	-	-	255,479	(1,288)	254,191
Total amounts recognised in comprehensive income	(43,220,603)	(419,513)	24,072,300	265,545	(19,302,271)
Cash flows					
Premiums received	38,173,872	-	-	-	38,173,872
Incurred claims and other directly attributable expenses paid	-	-	(17,092,745)	-	(17,092,745)
Insurance acquisition cost paid	(3,671,213)	-	-	-	(3,671,213)
Total cash flows	34,502,659	-	(17,092,745)	-	17,409,914
Insurance contract liabilities as at 30/09/2023	3,231,060	98,840	51,275,484	2,464,683	57,070,066
Insurance contract assets as at 30/09/2023	(1,742,807)	10,101	505,854	15,404	(1,211,449)
Insurance contract liabilities as at 30/09/2023	4,973,867	88,739	50,769,630	2,449,279	58,281,515
Net insurance contract liabilities as at 30/09/2023	3,231,060	98,840	51,275,484	2,464,683	57,070,066

Analysis by remaining coverage and incurred claims:

	30-Sep-22				
	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	Loss component	Present value of future cash flows	Risk adj. for non-fin.risk	
Insurance contract assets as at 01/01/2022	(331,454)	-	143,178	-	(188,277)
Insurance contract liabilities as at 01/01/2022	7,911,207	-	29,646,241	1,564,324	39,121,772
Net insurance contract liabilities as at 01/01/2022	7,579,752	-	29,789,419	1,564,324	38,933,495
Insurance revenue	(25,509,634)	-	-	-	(25,509,634)
Insurance service expenses	-	-	-	-	-
Incurred claims and other directly attributable expenses	-	-	8,923,251	399,277	9,322,528
Amortisation of insurance acquisition cash flows	1,651,774	-	-	-	1,651,774
Changes that relate to past service - adjustments to the liability for incurred claims	-	-	(6,675,142)	(870,685)	(7,545,827)
Total insurance service expense	1,651,774	-	2,248,110	(471,409)	3,428,475
Insurance service result	(23,857,860)	-	2,248,110	(471,409)	(22,081,159)
Impact of discounting on insurance contract liabilities	-	-	189,650	-	189,650
Effect of changes in interest rates and other financial assumptions	-	-	(730,630)	-	(730,630)
Total amounts recognised in comprehensive income	(23,857,860)	-	1,707,130	(471,409)	(22,622,139)
Cash flows					
Premiums received	24,460,418	-	-	-	24,460,418
Incurred claims and other directly attributable expenses paid	-	-	(10,130,688)	-	(10,130,688)
Insurance acquisition cost paid	(1,566,448)	-	-	-	(1,566,448)
Total cash flows	22,893,969	-	(10,130,688)	-	12,763,281
Insurance contract liabilities as at 30/09/2022	6,615,862	-	21,365,860	1,092,915	29,074,637
Insurance contract assets as at 30/09/2022	(1,126)	-	220	-	(906)
Insurance contract liabilities as at 30/09/2022	6,616,988	-	21,365,640	1,092,915	29,075,543
Net insurance contract liabilities as at 30/09/2022	6,615,862	-	21,365,860	1,092,915	29,074,637

5. Insurnace and Reinsurnace Contracts (continued)

5(b). Reinsurnace Contracts

Analysis by remaining coverage and incurred claims:

Figures in OMR

	30-Sep-23				
	Remaining Coverage Component		Incurred claims for contracts under the PAA		
	Excluding loss recovery component	Loss recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	Total
Reinsurance contract assets as at 01/01/2023	(10,596,133)	181,789	52,168,983	1,576,508	43,331,147
Reinsurance contract liabilities as at 01/01/2023	(832,909)	14,782	270,195	12,411	(535,520)
Net reinsurance contract assets as at 01/01/2023	(11,429,042)	196,571	52,439,178	1,588,920	42,795,627
Reinsurance expenses	(28,942,278)	(196,497)	-	-	(29,138,776)
Reinsurance service income	-	-	-	-	-
Claims recovered net of reinsurance expenses	1,350,234	-	17,843,095	374,074	19,567,403
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	17,725	-	-	17,725
Changes that relate to past service - Adjustment to the AIC	-	-	(9,068,660)	(205,681)	(9,274,340)
Effect of changes in the risk of reinsurers nonperformance	-	-	-	-	-
Total reinsurance service income	1,350,234	17,725	8,774,435	168,394	10,310,788
Net (expenses) / income from reinsurance contracts held	(27,592,044)	(178,772)	8,774,435	168,394	(18,827,988)
Impact of discounting on reinsurance contracts	-	-	1,011,255	-	1,011,255
Effect of changes in interest rates and other financial assumptions	-	-	154,386	(806)	153,580
Effect of changes in the risk of reinsurers non-performance	-	-	36,413	-	36,413
Total amounts recognised in comprehensive income	(27,592,044)	(178,772)	9,976,489	167,588	(17,626,740)
Cash flows					
Premium net of ceding commissions and other insurance service expenses paid	15,234,049	-	-	-	15,234,049
Recoveries from reinsurance	-	-	(3,831,604)	-	(3,831,604)
Total cash flows	15,234,049	-	(3,831,604)	-	11,402,445
Net Reinsurance contract assets as at 30/09/2023	(23,787,038)	17,799	58,584,063	1,756,507	36,571,332
Reinsurance contract assets as at 30/09/2023	(17,553,721)	14,256	54,892,828	1,718,123	39,071,486
Reinsurance contract liabilities as at 30/09/2023	(6,233,317)	3,503	3,691,276	38,384	(2,500,154)
Net reinsurance contract assets as at 30/09/2023	(23,787,038)	17,758	58,584,104	1,756,507	36,571,332

Analysis by remaining coverage and incurred claims:

	30-Sep-22				
	Remaining Coverage Component		Incurred claims for contracts under the PAA		
	Excluding loss recovery component	Loss recovery component	Present value of future cash flows	Risk adjustment for non-financial risk	Total
Reinsurance contract assets as at 01/01/2022	(11,695,949)	-	39,842,512	1,238,616	29,385,179
Reinsurance contract liabilities as at 01/01/2022	(1,720,584)	-	821,803	20,135	(878,646)
Net reinsurance contract assets as at 01/01/2022	(13,416,533)	-	40,664,315	1,258,751	28,506,533
Reinsurance expenses	(18,218,974)	-	-	-	(18,218,974)
Reinsurance service income	-	-	-	-	-
Claims recovered net of reinsurance expenses	-	-	3,108,207	141,005	3,249,212
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	-	-
Changes that relate to past service - Adjustment to the AIC	-	-	(4,123,175)	(522,233)	(4,645,409)
Effect of changes in the risk of reinsurers nonperformance	-	-	-	-	-
Total reinsurance service income	-	-	(1,014,969)	(381,228)	(1,396,197)
Net (expenses) / income from reinsurance contracts held	(18,218,974)	-	(1,014,969)	(381,228)	(19,615,170)
Impact of discounting on reinsurance contracts	-	-	258,668	-	258,668
Effect of changes in interest rates and other financial assumptions	-	-	(1,073,403)	-	(1,073,403)
Effect of changes in the risk of reinsurers non-performance	-	-	22,979	-	22,979
Total amounts recognised in comprehensive income	(18,218,974)	-	(1,806,726)	(381,228)	(20,406,927)
Cash flows					
Premium net of ceding commissions and other insurance service expenses paid	20,238,975	-	-	-	20,238,975
Recoveries from reinsurance	-	-	(1,594,731)	-	(1,594,731)
Total cash flows	20,238,975	-	(1,594,731)	-	18,644,244
Net Reinsurance contract assets as at 30/09/2022	(11,396,532)	-	37,262,859	877,523	26,743,850
Reinsurance contract assets as at 30/09/2022	(9,711,721)	-	36,716,911	867,037	27,872,226
Reinsurance contract liabilities as at 30/09/2022	(1,684,811)	-	545,948	10,486	(1,128,376)
Net reinsurance contract assets as at 30/09/2022	(11,396,532)	-	37,262,859	877,523	26,743,850

Amounts in

6. Cash and cash equivalents

	30 Sep 2023 ***(Unaudited)***	*31 Dec 2022 (Restated & Unaudited)*
Call deposits	**8,903,187**	3,810,957
Cash in hand	**3,849**	2,132
	8,907,036	3,813,089

Call deposits carry an interest ranging from 0% to 2.25% (2022 – 0% to 2.25%) per annum.

The Expected Credit Loss (ECL) on cash and cash equivalents as at 30 September 2023 and 31 December 2022 is not material to the financial statements as a whole and accordingly, no adjustment has been incorporated in the interim condensed financial statement.

7. Bank deposits

	30 Sep 2023 ***(Unaudited)***	*31 Dec 2022 (Restated & Unaudited)*
Term Deposits	**27,204,935**	**12,371,570**
	27,204,935	12,371,570

The deposits are held with commercial banks in Oman and carry annual interest rates ranging from 3% to 6% (2022 – 3% to 4.80%). As at the reporting period, the Company does not hold any bank deposits denominated in foreign currency (2022 – Nil).

In the current period, Company provided for expected credit loss on bank deposits amounting to RO 1,362 and reversed RO 226 in the prior year.

Amounts in OMR

8. Other receivables and prepayments

	30 Sep 2023 (Unaudited)	31 Dec 2022 (Restated & Unaudited)
Prepaid expenses	**560,001**	225,548
Others*	**1,181,898**	146,423
	1,741,899	371,970

**Other Figure includes Interest Receivable of RO 482,051 and Deferred Comm of RO 94,368.*

9. Financial investments

a. Financial investments can be analysed as

	Carrying value	
	30 Sep 2023 (Unaudited)	31 Dec 2022 (Restated & Unaudited)
Financial investments at fair value through profit or loss (FVTPL)	13,020,126	12,051,577
Financial investments at fair value through other comprehensive income (FVOCI)	14,411,699	6,938,496
Total financial investments	**27,431,825**	**18,990,074**

b. The movement in the financial investment is analysed as below:

	30 Sep 2023 (Unaudited)	31 Dec 2022 (Restated & Unaudited)
At 1st January 2023	**27,447,151**	15,063,228
Additions	3,141,051	11,600,282
Disposals	(3,265,462)	(8,443,040)
Realised gain/(loss) on sale of investments	582,363	349,609
Unrealised gain/(loss) on sale of investments and Impairment reversal/(loss)	(473,278)	419,995
As on 30th September 2023	**27,431,825**	18,990,074

Amounts in OMR

10. Property and equipment

	Furniture, fixtures and fittings	*Computer & Office Equipment*	*Motor vehicle*	*Building - Operational*	*Building - Investment*	*Freehold Land*	*Branch Office Work in Progress*	*Total*
Cost:								
At 1st January 2023	1,099,863	1,032,662	116,909	161,944	248,468	187,000	-	2,846,846
Additions	8,895	2,691	-	-	-	-	148,531	160,117
Disposals	(5,025)	(3,000)	(32,857)	-	-	-	-	(40,882)
At 30th Sep 2023	1,103,733	1,032,352	84,052	161,944	248,468	187,000	148,531	2,966,081
Depreciation:								
At 1st January 2023	979,210	958,455	73,449	4,128	-	-	-	2,015,242
Charge for the period	75,596	33,540	12,161	5,799	-	-	-	127,096
Disposals	(1,089)	-	(15,225)	-	-	-	-	(16,314)
At 30th Sep 2023	1,053,717	991,994	70,385	9,927	-	-	-	2,126,024
Net carrying values:								
At 30th Sep 2023 (Un-audited)	**50,016**	**40,358**	**13,666**	**152,017**	**248,468**	**187,000**	**148,531**	**840,057**

<u>Previous year 2022</u>

	Furniture, fixtures and fittings	*Computer & Office Equipment*	*Motor vehicle*	*Total*
Cost:				
At 1st January 2022	514,028	210,528	45,675	770,231
Additions	1,550	16,526	-	18,076
Disposals	-	(742)	-	(742)
At 31st December 2022	515,578	226,312	45,675	787,565
Depreciation:				
At 1st January 2022	398,963	199,115	13,355	611,433
Charge for the year	70,049	10,214	11,766	92,029
Disposals	-	(32)	-	(32)
At 31st December 2022	469,012	209,298	25,121	703,430
Net carrying values:				
At 31st December 2022 (Restated & Unaudited)	46,566	17,015	20,554	84,135

11. Lease Asset

Right of use assests :

Below is the carrying amount of right of use assets recognised and movement during the period:

Building	*(Amounts in OMR)*
Cost:	
At 1st January 2023	946,066
Additions	5,782
Disposals	-
At 30th Sep 2023	951,848
Depreciation:	
At 1st January 2023	767,899
Charge for the period	44,420
Disposals	-
At 30th Sep 2023	812,319
Net carrying values:	
At 30th Sep 2023	139,529

Previous year 2022

Building	
Cost:	
At 1st January 2022	668,689
Additions	277,377
Disposals	-
At 31st December 2022	946,066
Depreciation:	
At 1st January 2022	585,661
Charge for the period	182,238
Disposals	-
At 31st December 2022	767,899
Net carrying values:	
At 31st December 2022 (Restated & Unaudited)	178,167

Following are the amounts recognised in Statement of Profit & Loss :

	30-Sep-23
Depreciation expense on right-of-use assets	44,420
Interest expense on lease liabilities	1,085
Total amount recognised in profit or loss	*45,505*

Note : The Company has discontinued following IFRS 16 Lease accounting with effect from 1st April 2023 as all lease contracts are of one year only in which case it's not mandatory to follow IFRS 16.

Amounts in OMR

12. Other Payables

	30 Sep 2023 (Unaudited)	31 Dec 2022 (Restated & Unaudited)
Due to Related Parties	**2,751,201**	1,744,033
Trade Payables	**5,725,418**	3,518,365
Income tax and withholding tax liabilities	**443,410**	470,831
Accrued Expenses	**302,055**	217,571
Lease Liabilities*	**120,396**	157,885
Accrual for end of service benefits	**109,753**	90,267
VAT Tax Liability	**382,549**	170,090
Other Payables	**762,761**	765,220
	10,597,544	7,134,263

**Lease Liability :*

Below is the carrying amount of lease liabilities and movement during the period

	30 Sep 2023 (Unaudited)
At 1st January 2023	159,570
Additions	5,782
Accretion of interest	1,085
Payments	(46,040)
At 30th Sep 2023	**120,396**

13. Share capital

	30 Sep 2023 (Unaudited)	31 Dec 2022 (Restated & Unaudited)
Authorised – 300,000,000 shares of RO 0.100 each	**30,000,000**	20,000,000
Issued and fully paid - 161,218,570 shares	**21,998,840**	10,000,000

Shareholders of the Company who own 10% or more of the Company's shares and the number of shares they hold as of 30 September 2023 and 31 December 2022 are as follows:

	30 Sep 2023 (Unaudited)		31 Dec 2022 (Restated & Unaudited)	
	Number of shares	% of Shares	Number of shares	% of Shares
Qatar Insurance Company	90,264,754	55.989	51,698,500	51.699
Al Hosn Investment Company SAOC	56,600,011	35.108	34,000,000	34.000
	146,864,765	**91.097**	**85,698,500**	**85.699**

14. Segmental information

Operating Segments

The Company has three reportable segments, as described below. The strategic business units offer different products and services, and are managed separately because they require different marketing strategies. For each of the strategic business units, the CEO reviews internal management reports on at least a monthly basis. The following summary describes the operations in each of the Company's reportable segments:

(i) Marine and Energy includes marine cargo, marine hull & machinery, aviation and energy insurance.
(ii) Property & Casulaty includes fire, engineering, general accident, third party liability, workmen compensation, motor, travel and home insurance.
(iii) Medical and Life includes health, group life and credit life insurance.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment net insurance income, as included in the internal management reports that are reviewed by the CEO. Inter-segment pricing is determined on an arm's length basis.

Segment statement of profit or loss and other comprehensive income

Amounts in OMR

	Marine & Energy		**Property & Casualty**		**Medical and Life**		**Total**	
	30 Sep 2023 (Unaudited)	*30 Sep 2022 (Unaudited)*	***30 Sep 2023 (Unaudited)***	*30 Sep 2022 (Unaudited)*	***30 Sep 2023 (Unaudited)***	*30 Sep 2022 (Unaudited)*	***30 Sep 2023 (Unaudited)***	*30 Sep 2022 (Unaudited)*
Insurance revenue	**5,350,085**	5,345,866	**27,711,046**	15,407,114	**12,667,289**	4,756,655	**45,728,420**	25,509,634
Insurance service expense	**1,817,940**	(965,406)	**(18,563,919)**	(2,804,132)	**(8,299,752)**	341,064	**(25,045,731)**	(3,428,475)
Net expenses from reinsurance contracts	**(6,812,056)**	(4,373,728)	**(7,065,745)**	(10,978,047)	**(4,950,186)**	(4,263,396)	**(18,827,987)**	(19,615,171)
Insurance service result	**355,968**	6,732	**2,081,382**	1,624,934	**(582,649)**	834,322	**1,854,701**	2,465,989
Insurance finance expenses for insurance contracts issued	**(261,458)**	(18,373)	**(717,765)**	(97,181)	**(147,004)**	(74,098)	**(1,126,227)**	(189,651)
Reinsurance finance income for reinsurance contracts held	**302,716**	32,218	**513,421**	167,450	**231,530**	81,979	**1,047,667**	281,647
Net insurance finance result	**397,226**	20,577	**1,877,038**	1,695,204	**(498,123)**	842,203	**1,776,141**	**2,557,985**
Investment income							**2,022,827**	2,933,554
Advisory Fees							**(82,143)**	(60,643)
Gain on Acquisition of Vision Insurance SAOG							**107,817**	-
Rental Income							**18,950**	-
Other income							**2,078**	-
Total income							**3,845,670**	5,430,896
General and administrative expenses							**(1,114,184)**	(690,412)
Depreciation*							**(171,513)**	(203,546)
Profit / (loss) before taxation							**2,559,974**	**4,536,938**
Income tax expense							**(350,531)**	(326,804)
Profit / (loss) for the period							**2,209,443**	4,210,134

*Depreciation includes figures for IFRS 16 Lease Accounting impact (CY - RO 44,420, PY - RO 137,271).

Amounts in OMR

15. Net Investment & Other Income

	30 Sep 2023 (Unaudited)	*30 Sep 2022 (Restated & Unaudited)*
Interest income	**1,301,904**	663,244
Dividends	**612,162**	628,014
Realised Gain/(Loss) on sale of investments	**582,363**	951,993
Rental Income	**18,950**	-
Unrealised Gain/(Loss) on sale of investments and impairment loss	**(473,278)**	695,697
Finance Cost & Others	**(324)**	(5,394)
Advisory Fee	**(82,143)**	(60,643)
	1,959,633	2,872,911
Gain on Acquisition of Vision Insurance SAOG	**107,817**	-
Other Income	**2,078**	48,409
	2,069,528	2,921,320

16. Earnings / (loss) per share

Basic earnings per share is calculated by dividing the profit for the period by the weighted average number of shares outstanding during the period as follows:

	30 Sep 2023 (Unaudited)	*30 Sep 2022 (Restated & Unaudited)*
Profit / (loss) for the period	**2,209,443**	4,210,134
Weighted average number of shares	**161,218,570**	100,000,000
Earnings / (loss) per share	**0.014**	0.042

No figure for diluted earnings per share has been presented as the Company has not issued any instruments which would have an impact on earnings per share when exercised.

17. Contingent liabilities and commitment

Legal claims

The Company, in common with the significant majority of insurers, is subject to litigation in the normal course of its business. The Company, based on independent legal advice, does not believe that the outcome of these court cases will have a material impact on the Company's interim condensed statement of comprehensive income and interim condensed statement of financial position.

Contingent liabilities

	30 Sep 2023 (Unaudited)	*31 December 2022 (Restated & Unaudited)*
Bank Guarantee	**202,888**	37,142

18. Related party transactions

Transactions with related parties

These represent transactions with related parties, i.e. parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions and directors of the Company and companies of which they are key management personnel. Related parties comprise the shareholders, directors, key management personnel and business entities in which they have the ability to control or exercise significant influence in financial and operating decisions. Pricing policies and terms of these transactions are approved by the Company's board of directors and are on mutually agreed terms. Significant transactions were:

Amounts in OMR

	Shareholders & Other Related Parties	
	30 Sep 2023 (Unaudited)	*30 Sep 2022 (Restated & Unaudited)*
Insurance Revenue	7,012	44,227
Insurance Service Expense	(671)	(122,631)
Net Income/(expense) from Reinsurance Contract	(5,501,679)	(14,367,342)
Insurance finance income / (expense) for insurance contracts issued (Including OCI)	(1,977)	3,076
Reinsurance finance income / (expense) for reinsurance contracts held (Including OCI)	371,426	(362,010)

Balances due from and due to related parties or holders of 10% or more of the Company's shares, or their family members are analysed as follows:

Insurance Contract Liabilities	**1,645,827**	**1,236,644**
Reinsurance Contract Assets	**(5,633,533)**	**(5,686,507)**

Compensation of key management personnel

The remuneration of key management (excluding perquisite) during the period was as follows:

	30 Sep 2023 (Unaudited)	*30 Sep 2022 (Restated & Unaudited)*
Salaries and other short term benefits	**326,542**	233,282
End of service benefits	**10,459**	13,442
	337,001	246,724

19. Note on Acquisition of Vision Insurance SAOG from 1st January 2023.

The company has completed the 100% merger of Vision Insurance with effect from 1st January 2023 as per Ministry of Commerce, Industry and Investment Promotions notification reference issued on 5th February 2023. The Equity shares of Vision Insurance were also delisted from Muscat Stock Exchange with effect from 20th February 2023. Accordingly, all the assets and liabilities of Vision Insurance is now transferred to the company through this acquisition. Company has issued the following number of equity shares through private placements which was approved by the Shareholders of the Company in Extra Ordinary General meeting held on 27th December 2022.

Name of the Shareholders	Issue Price	Number of shares	OMR
Qatar Insurance Company	196 Baiza	38,566,254	7,558,986
Al Hosn Investment Company	196 Baiza	22,600,011	4,429,602
Total OMR			11,988,588

Acquisition related cost;

The Company has incurred acquisition and related cost on advisory, legal, due diligence, valuation and other professional and consulting fees amounting to RO 543,285.68 upto 30th September 2023, which is expensed.

Identifiable assets and liabilities assumed in acquisition.

Following table summarizes the recognized amounts of assets acquired, and liabilities assumed at the date of acquisition at 1st January 2023 (as per IFRS 17).

Assets	**OMR**
Cash and bank balances	1,271,562
Deposits	10,460,598
Other receivables and prepayments	550,995
Reinsurance contract assets	18,251,718
Available for sale investment	8,457,076
Investment carried out at amortized cost	1,519,812
Property, furniture and equipment	398,523
Investment property	348,944
Total Assets	**41,259,230**
Liabilities	
Insurance contract liabilities	26,623,061
Reinsurance contract laibilities	103,949
Employee's benefits	97,378
Tarde and other payables	2,328,186
Total Liabilities	**29,152,574**
Net identifiable assets acquired (Total assets - Total Liabilities)	**12,106,656**

The acquisition accounting has been made on provisional basis on the net assets of Vision Insurance as at 1st January 2023, as the PPA exercise to determine the fair value of asset and liabilities of the Company assumed as ongoing. The accounting of the merger by acquisition will be revised on completion of the PPA exercise within 12 months from the acquisition date as allowed under IFRS 3 "Business combinations".

19. Note on Acquisition of Vision Insurance SAOG from 1st January 2023 (continued)

Payment for the Acquisition:

Details of payment	OMR
Cash consideration paid to the shareholders of Vision Insurance	11,988,588
Fair value of Equity shares of Oman Qatar Insurance issued as part of share swap to Vision Insurance's shareholders	10,252
Total amount paid for acquisition	**11,998,840**

Bargain price on Acquisition:

Details of payment	OMR
Total consideration paid to the shareholders of Vision Insurance	11,998,840
Net identifiable assets acquired	12,106,656
Bargain gain on acquisition subject to PPA exercise	107,816

Difference of RO 107,816 between total consideration transferred and net identifiable assets acquired has been recorded as bargain gain in Revenue account which is subject to changes on completion of PPA exercise.

20. Comparative Information

The Company results for the Financial Year Ended 2022 and period ended 30th September 2022 was prepared on standalone basis and will not be comparable with period ended 30th September 2023 results which are on consolidated basis post-acquisition of Vision Insurance SAOG.