

Oman Qatar Insurance Company SAOG
Interim condensed statement of financial position
For the quarter ended 31st March 2021

Amounts in OMR

	Notes	31 Mar 2021 (Unaudited)	31 Dec 2020 (Audited)
ASSETS			
Cash and cash equivalents	3	1,391,678	3,553,856
Bank deposits	4	16,764,585	17,039,900
Premiums and reinsurance balances receivable	5	8,153,636	5,637,192
Reinsurers' share of insurance contract	6	45,798,000	50,618,000
Other receivables and prepayments	7	388,771	449,436
Financial investments	8	13,207,950	12,751,282
Property and equipment	9	181,383	197,677
Right to Use Asset	10	182,484	182,484
Total assets		86,068,485	90,429,827
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	13	10,000,000	10,000,000
Legal reserve		1,207,123	1,207,123
Contingency reserve		5,145,436	5,145,436
Fair value reserve		(25,429)	(12,746)
Retained earnings		2,207,408	1,801,882
Total equity		18,534,537	18,141,695
Liabilities			
Liabilities arising from insurance contract	6	53,642,000	58,419,000
Due to reinsurers	11	6,397,187	5,009,456
Other liabilities and accruals	12	7,494,761	8,859,675
Total liabilities		67,533,948	72,288,132
Total equity and liabilities		86,068,485	90,429,827

The interim condensed financial statements were approved by a resolution of the directors on 27th April 2021 and were signed on their behalf by:


Musallam Mahad Ali Qatan
Deputy 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 quarter ended 31st March 2021

Amounts in OMR

	Notes	31 Mar 2021 (Unaudited)	31 Mar 2020 (Unaudited)
Insurance premium revenue	14	8,380,777	8,285,704
Insurance premium ceded to reinsurers	14	(6,617,039)	(5,678,705)
Net insurance premium revenue	14	1,763,738	2,606,999
Movement in unexpired premium	14	(328,000)	(817,213)
Net premium earned	14	1,435,738	1,789,786
Claims paid	14	(5,005,420)	(1,903,903)
Reinsurers' share of claims	14	3,988,051	588,875
Net movement in outstanding claims	14	285,000	281,020
Net commission	14	(30,161)	(273,866)
Other Insurance Income	14	22,418	40,448
Net underwriting results	14	695,626	522,360
Investment income (net)	16	846,164	(724,281)
Other income	16	3,077	902
Total income		1,544,867	(201,018)
General and administrative expenses	14	(550,971)	(501,632)
Depreciation	14	(18,639)	(20,045)
Profit / (loss) before taxation		975,256	(722,696)
Income tax expense	14	(69,733)	(45,380)
Profit / (loss) for the period		905,523	(768,076)
Other comprehensive income / (expense)		(12,683)	174
Total comprehensive income/(expense) for the period		892,840	(767,902)
Earnings / (loss) per share-basic and diluted	16	0.0091	(0.008)

Oman Qatar Insurance Company SAOG
Interim condensed statement of cash flows
For the quarter ended 31st March 2021

Amounts in OMR

	31 Mar 2021 (Unaudited)	31 Mar 2020 (Unaudited)
Cash flows from operating activities		
Profit / (loss) before tax for the period	975,256	(722,696)
Adjustments for :		
UPR (release) / charge - net	328,000	817,213
Depreciation of property and equipment	18,639	20,045
Provision for Income Tax & Withholding tax	66,725	(45,196)
Investment Income	(849,241)	(546,637)
Accrual for employees' end of service benefits	2,719	(5,486)
Allowance for doubtful premiums and reinsurance balance receivables	-	(22,500)
Gain on disposal of property and equipment	-	-
Operating cash flows before changes in operating assets and liabilities	542,099	-505,256
Premium & reinsurance balances receivables	(2,516,443)	(423,358)
Insurance reserve, net of reinsurer's share	43,000	-
Reinsurers' share of insurance contract liabilities	6,126,000	(5,024,753)
Other receivables and prepayments	60,665	347,039
Liabilities arising from insurance contract	(6,411,000)	4,743,733
Due to reinsurers	1,387,731	451,804
Decrease in provisions and other payables	(1,411,298)	178,693
Cash generated from / (used in) operations	(2,179,246)	(232,098)
Employees' end of service benefits paid	(9,376)	-
Income Tax & Withholding tax paid	(3,008)	(184)
Net cash generated from / (used in) operating activities	(2,191,631)	(232,282)
Cash flows from investing activities		
Purchase of Financial investments	(405,330)	(276,678)
Net movement in Bank Deposits	275,315	722,860
Purchase of property and equipment	(2,345)	-
Interest income received	79,055	388,102
Dividend income received	209,021	41,308
Proceeds from disposal of Financial investments	373,736	587,860
Proceeds from disposal of property and equipment	-	-
Net cash generated from / (used in) investing activities	529,453	1,463,452
Cash flows from financing activities		
Dividends paid during the quarter	(500,000)	(500,000)
Net increase / (Decrease) in cash and cash equivalents	(2,162,178)	1,231,169
Cash and cash equivalents at the beginning of the period	3,553,856	897,133
Cash and cash equivalents at the end of the period (Refer note 3)	1,391,678	2,128,302

Oman Qatar Insurance Company SAOG

Interim condensed statement of changes in equity
For the quarter ended 31st March 2021

	<i>Amounts in OMR</i>					
	<i>Share Capital</i>	<i>Legal Reserve</i>	<i>Fair Value Reserve</i>	<i>Contingency Reserve</i>	<i>Retained earnings</i>	<i>Total Equity</i>
At 1 January 2020	10,000,000	995,082	8,434	4,653,930	885,015	16,542,461
Profit for the year	-	-	-	-	2,120,414	2,120,414
Other comprehensive income for the period	-	-	(21,180)	-	-	(21,180)
Total comprehensive income for the period	-	-	(21,180)	-	2,120,414	2,099,234
Cash Dividend paid for the year 2019	-	-	-	-	(500,000)	(500,000)
Transfer to contingency reserve	-	-	-	491,506	(491,506)	-
Transfer to legal reserve	-	212,041	-	-	(212,041)	-
At 31 December 2020 (Audited)	<u>10,000,000</u>	<u>1,207,123</u>	<u>(12,746)</u>	<u>5,145,436</u>	<u>1,801,882</u>	<u>18,141,695</u>
At 1 January 2021	10,000,000	1,207,123	(12,746)	5,145,436	1,801,882	18,141,695
Profit for the year	-	-	-	-	905,523	905,523
Other comprehensive income for the period	-	-	(12,683)	-	-	(12,683)
Total comprehensive expense for the nine months period	-	-	(12,683)	-	905,523	892,840
Cash Dividend paid for the year 2020	-	-	-	-	(500,000)	(500,000)
Transfer to contingency reserve	-	-	-	-	-	-
Transfer to legal reserve	-	-	-	-	-	-
At 31 March 2021 (Unaudited)	<u>10,000,000</u>	<u>1,207,123</u>	<u>(25,429)</u>	<u>5,145,436</u>	<u>2,207,408</u>	<u>18,534,537</u>

Oman Qatar Insurance Company SAOG

Notes to the interim condensed financial statements
For the quarter ended 31st March 2021

1. General

Oman Qatar Insurance Company SAOG (formerly Oman Qatar Insurance Company SAOC) (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 2019. The license was renewed by Capital Market Authority (Oman) for general and life insurance on 27th June 2019 valid up to 20 June 2024.

The Company is a substantially owned 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

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

2.1. Basis of preparation

The interim condensed financial statements for the quarter ended 31 March 2021 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 2020.

In addition, results for the quarter ended 31 March 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

2.2. New standards, interpretations and amendments adopted by

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 2020.

Oman Qatar Insurance Company SAOG
Notes to the interim condensed financial statements
For the quarter ended 31st March 2021

Amounts in

3. Cash and cash equivalents

	31 Mar 2021 (Unaudited)	31 Dec 2020 (Audited)
Call deposits	1,388,285	3,549,316
Cash in hand	3,393	4,540
	<u>1,391,678</u>	<u>3,553,856</u>

4. Bank deposits

	31 Mar 2021 (Unaudited)	31 Dec 2020 (Audited)
Bank deposits with a maturity of greater than three months but less than one year from the date of placement	-	-
Bank deposits with a maturity of greater than or equal to one year from the date of placement	16,764,585	17,039,900
	<u>16,764,585</u>	<u>17,039,900</u>

5. Premiums and reinsurance balances receivable

	31 Mar 2021 (Unaudited)	31 Dec 2020 (Audited)
Due from policy holders, agents and broker:	7,956,450	5,604,512
Reinsurance balance receivable	1,234,794	1,070,289
	<u>9,191,245</u>	<u>6,674,801</u>
Allowance for doubtful receivable	(1,037,609)	(1,037,609)
	<u>8,153,636</u>	<u>5,637,192</u>

6. Reinsurers' share of insurance contract liabilities and liabilities arising from insurance contracts

	31 Mar 2021 (Unaudited)	31 Dec 2020 (Audited)
Gross liabilities arising from insurance contracts		
Claims reported but unsettled	30,489,781	32,687,736
Claims incurred but not reported	7,363,219	11,576,264
Unexpired premium	15,789,000	14,155,000
Total	<u>53,642,000</u>	<u>58,419,000</u>
Reinsurers' share of insurance contract liabilities		
Claims reported but unsettled	(26,966,472)	(28,947,263)
Claims incurred but not reported	(6,199,528)	(10,344,737)
Unexpired premium	(12,632,000)	(11,326,000)
Total	<u>(45,798,000)</u>	<u>(50,618,000)</u>
Net liabilities arising from insurance contracts		
Claims reported but unsettled	3,523,308	3,740,473
Claims incurred but not reported	1,163,692	1,231,527
Unexpired premiums	3,157,000	2,829,000
Total	<u>7,844,000</u>	<u>7,801,000</u>

Oman Qatar Insurance Company SAOG
Notes to the interim condensed financial statements
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Amounts in OMR

7. Other receivables and prepayments

	31 Mar 2021 <i>(Unaudited)</i>	31 Dec 2020 <i>(Audited)</i>
Prepaid expenses	207,622	265,772
Others	181,149	183,664
	388,771	449,436

8. Financial investments

a. Financial investments can be analysed as

	Carrying value	
	31 Mar 2021 <i>(Unaudited)</i>	31 Dec 2020 <i>(Audited)</i>
Financial investments at fair value through profit or loss (FVTPL)	9,213,668	8,765,497
Financial investments at fair value through other comprehensive income (FVOCI)	3,994,282	3,985,785
Total financial investments	13,207,950	12,751,282

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

	31 Mar 2021 <i>(Unaudited)</i>	31 Dec 2020 <i>(Audited)</i>
At 1 January 2020	12,751,282	10,641,079
Additions	405,330	3,703,953
Disposals	(373,736)	(1,985,033)
Realised gain/(loss) on sale of investments	(3,071)	44,001
Unrealised gain/(loss) on sale on sale of investments	422,447	349,893
Accrued Income	5,698	-
Impairment loss taken to P&L	-	(2,611)
As on 30th Sep 2020	13,207,950	12,751,282

Amounts in OMR

9. Property and equipment

	<i>Furniture, fixtures and fittings</i>	<i>Computer & Office Equipment</i>	<i>Motor vehicle</i>	<i>Total</i>
Cost:				
At 1 January 2021	510,058	201,928	10,675	722,660
Additions	-	2,345	-	2,345
Disposals	-	-	-	-
At 31 Mar 2021	<u>510,058</u>	<u>204,273</u>	<u>10,675</u>	<u>725,005</u>
Depreciation:				
At 1 January 2021	328,955	187,352	8,676	524,983
Charge for the period	15,183	3,046	411	18,639
Disposals	-	-	-	-
At 31 Mar 2021	<u>344,138</u>	<u>190,398</u>	<u>9,087</u>	<u>543,623</u>
Net carrying values:				
At 31 Mar 2021 (Un-audited)	165,921	13,875	1,587	181,383
<u>Previous year 2020</u>				
	<i>Furniture, fixtures and fittings</i>	<i>Computer & Office Equipment</i>	<i>Motor vehicle</i>	<i>Total</i>
Cost:				
At 1 January 2020	513,118	196,861	21,875	731,855
Additions	-	5,130	-	5,130
Disposals	(3,060)	(65)	(11,200)	(14,325)
At 31 December 2020	<u>510,058</u>	<u>201,928</u>	<u>10,675</u>	<u>722,660</u>
Depreciation:				
At 1 January 2020	259,707	172,333	17,976	450,016
Charge for the year	72,308	15,084	1,900	89,292
Disposals	(3,060)	(65)	(11,200)	(14,325)
At 31 December 2020	<u>328,955</u>	<u>187,352</u>	<u>8,676</u>	<u>524,983</u>
Net carrying values:				
At 31 December 2020 (Audited)	181,103	14,576	1,998	197,677

10. Lease Asset

Right of use assets :

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

(Amounts in OMR)

Building

Cost:	2021	2020
At 1st January	566,023	272,924
Additions	-	293,099
Disposals	-	-
At 31st December	566,023	566,023
Depreciation:		
At 1st January	383,539	180,674
Charge for the period*	-	202,865
Disposals	-	-
At 31st December	383,539	383,539
Net carrying values:		
At 31st December	182,484	182,484

Following are the amounts recognised in profit or loss :

	2021	2020
		RO
Depreciation expense on right-of-use assets	-	202,865
Interest expense on lease liabilities	-	5,479
<i>Total amount recognised in profit or loss</i>	-	<i>208,344</i>

Note : The company has not taken the IFRS 16 impact for the quarter ended 31st March 2021 but will take the adjustment from next month onwards.

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Notes to the interim condensed financial statements
For the quarter ended 31st March 2021

Amounts in OMR

11. Due to reinsurers

	31 Mar 2021 (Unaudited)	31 Dec 2020 (Audited)
Reinsurance balances	<u>6,397,187</u>	<u>5,009,456</u>

12. Other liabilities and accruals

	31 Mar 2021 (Unaudited)	31 Dec 2020 (Audited)
Due to related parties	4,742,278	5,554,752
Trade payables	1,567,458	1,850,785
Income tax and withholding tax liabilities	423,489	356,764
Accrued Expenses	506,069	161,387
Lease Liabilities	157,683	157,684
Accrual for end of service benefits	97,783	104,440
Other Payables	-	673,864
	<u>7,494,761</u>	<u>8,859,675</u>

13. Share capital

	31 Mar 2021 (Unaudited)	31 Dec 2020 (Audited)
Authorised – 200,000,000 shares of RO 0.100 each	<u>20,000,000</u>	<u>20,000,000</u>
Issued and fully paid - 100,000,000 shares of RO	<u>10,000,000</u>	<u>10,000,000</u>

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 2020 and 31 December 2019 are as follows:

	31 Mar 2021 (Unaudited)		31 December 2020 (Audited)	
	Number of shares	% of Shares	Number of shares	% of Shares
Qatar Insurance Company	51,698,500	51.699	51,698,500	51.699
Al Hosn Investment Company SAOC	22,500,000	22.500	22,500,000	22.500
	<u>74,198,500</u>	<u>74.199</u>	<u>74,198,500</u>	<u>74.199</u>

Oman Qatar Insurance Company SAOG
Notes to the interim condensed financial statements
For the quarter ended 31st March 2021

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 aviation insurance includes marine cargo, marine hull and machinery and aviation.
- (ii) Fire and general insurance includes fire, engineering, energy, motor, general accident, medical insurance and third party liability.
- (iii) Life includes 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

	<i>Amounts in OMR</i>			
	31 Mar 2021 (Unaudited)	31 Mar 2020 (Unaudited)	31 Mar 2021 (Unaudited)	31 Mar 2020 (Unaudited)
			Group Medical & Credit Life	Total
Insurance premium revenue	1,144,807	217,810	4,042,416	8,380,777
Insurance premium ceded to	(197,627)	(188,633)	(3,013,904)	(6,617,039)
Net premium	947,180	29,177	322,680	1,763,738
Movement in unexpired premium	(171,000)	3,100	(148,000)	(820,313)
Net premium earned	776,180	32,277	174,680	1,549,310
Claims paid	(721,921)	(45,311)	(2,834,939)	(749,134)
Reinsurers' share of claims	31,739	34,405	2,903,087	688,567
Movement in outstanding claims	214,000	(10,000)	31,000	(123,980)
Net commission	(99,165)	(15,188)	37,639	(205,729)
Other Insurance Income	22,400	-	-	5,861
Underwriting results	223,232	(3,816)	311,467	160,926
Investment income			160,926	695,626
Other income			846,164	(724,281)
Total income			3,077	902
General and administrative expenses			1,544,867	(201,018)
Depreciation			(550,971)	(501,632)
Profit / (loss) before taxation			(18,639)	(20,045)
Income tax expense			975,256	(722,696)
Profit / (loss) for the period			(69,733)	(45,380)
			905,523	(768,076)

Assets and liabilities of the Company are commonly used across the primary segments.

Oman Qatar Insurance Company SAOG

Notes to the interim condensed financial statements
For the quarter ended 31st March 2021

15. IFRS Implementation

a) Standards issued but not yet effective

The following new accounting standards and interpretations have been issued but are not yet effective. The Company is currently evaluating the impact of these new standards.

<i>Standard</i>	<i>Content</i>
IFRS 17	Insurance Contracts (Effective 1st January 2023)

Oman Qatar Insurance Company SAOG

Notes to the interim condensed financial statements
For the quarter ended 31st March 2021

Amounts in OMR

16. Investment & Other Income (net)

	31 Mar 2021 (Unaudited)	31 Mar 2020 (Unaudited)
Interest income	219,938	200,220
Dividends	209,021	390,327
Relaised Gain/(Loss) on sale of investments	(3,861)	(43,910)
Unrelaised Gain/(Loss) on sale of investments and impairment loss	435,869	(1,258,656)
Finance Cost & Others	(35)	(102)
Other Income	3,077	902
Advisory Fee	(14,768)	(12,160)
	<u>849,241</u>	<u>(723,379)</u>

17. 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:

	31 Mar 2021 (Unaudited)	31 Mar 2020 (Unaudited)
Profit / (loss) for the period	905,523	(768,076)
Weighted average number of shares	100,000,000	100,000,000
Earnings / (loss) per share	<u>0.0091</u>	<u>(0.0077)</u>

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.

18. 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

Contingent liabilities

	31 Mar 2021 (Unaudited)	31 December 2020 (Audited)
Bank guarantees	27,082	604,213
Operating Leases	369,125	395,390
	<u>396,207</u>	<u>999,603</u>

19. 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	
	31 Mar 2021 (Unaudited)	31 Mar 2020 (Unaudited)	31 Mar 2021 (Unaudited)	31 Mar 2020 (Unaudited)
Insurance premium	171,308	10,097	18,590	4,585
Claims paid	(307)	(317)	-	(77)
Commission paid	(539)	-	(1,867)	(1,117)
Reinsurance premium	(761,650)	(168,172)	(679,252)	(2,497,621)
Commission received	165,755	-	-	15,000
Claims recovered	216,273	(188,979)	1,020,210	2,609,810
Management expenses	100,000	100,000	-	-
Board of Directors Fees & Remuneration	(6,600)	(6,600)	-	-
Other expenses	(4,961)	(11,460)	(27,164)	51,128

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:

Premiums and reinsurance balance receivable	144,980	425,510	474,535	2,122,094
Due to reinsurers	(1,123,694)	(551,122)	-	-
Other liabilities	(3,774,621)	(3,775,794)	(967,659)	(3,703,108)

Compensation of key management personnel

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

	31 Mar 2021 (Unaudited)	31 Mar 2020 (Unaudited)
Salaries and other short term benefits	54,412	71,495
End of service benefits	1,855	3,912
	<u>56,267</u>	<u>75,407</u>