

Dear Shareholders,

On behalf of the Board of Directors of Oman United Insurance Company SAO G, I have the pleasure to present to you the Un-Audited Financial Statements of the company for the 6 months' period ended on 30 June 2022.

Operation Performance Highlights:

Particulars	30 Jun 2022	30 Jun 2021	Change%
Gross Written Premium	18,490,272	18,597,509	(0.58)
Gross Underwriting Results	2,039,756	3,371,042	(39.50)
Realized Investment and other income	1,697,134	1,759,890	(4)
Net Profit for the year (after income tax)	891,151	2,422,998	(63)

Gross Written Premium and Underwriting Results:

The gross premium income of all insurance branches amounted to OMR 18.49 million compared to OMR 18.60 million in the same corresponding period of the year 2021 depicting a decrease of (0.58%). This decrease is attributable to the overall prevailing economic conditions accompanied with the severe pricing competition and high motor loss ratio. As a result of our focus on the quality of business rather than the volume of business, and the selective underwriting policy adopted by the management thereof, the gross underwriting profit of all lines of business amounted to OMR 2.04 million compared to Underwriting profits of OMR 3.37 million in the corresponding period of last year depicting a decrease of (39.49%).

Investment and other income Results:

Considering the current & expected oil price movements coupled with improved economic activities within the local economy, we will be cautiously optimistic about the local equity market, thereby investing in the local equity shares in a phased manner in line with the Investment of the assets of Insurance and Takaful Insurance companies Regulation. By this approach, we will be diluting the investments from fixed income securities to the equity investments in a gradual manner.

Therefore, the company achieved a total investment income of OMR 1.70 million, compared to OMR 1.76k in the corresponding period last year depicting an decrees of (4%) The net investment income after deducting unrealized investment losses amounted to OMR 1.52 million compared to OMR 2.01 for the same period last year i.e. an decrees of (25%)

Net profit:

The company's net profit after tax amounted to OMR 891K against a net profit after tax of OMR. 2.42 million in the corresponding period of last year, depicting an decrees of (63%), this is mainly due to higher motor claims ratio coupled with marginally lower investment income has contributed to the lower net profit. Management would take the best efforts to overcome this lower in net profit. Accordingly the earnings per share amounted to .009 Bzs against .024 Bzs in the corresponding period of last year. It is worth noting that the net asset value per share amounted to 282 Bzs compared to 293 Bzs in the same period of last year with a growth rate of 2.5%, this is despite the continuous distribution of dividends to the shareholders.

Business risks:

Honorable shareholders: As you know, insurance business is exposed to natural and other risks that are governed by fate and destiny, (Such as the pandemic of Coronavirus, Covid19) and on the other hand, the performance of the investment portfolio is very much influenced by the prevailing economic and political conditions.

However, the management has been exerting its utmost efforts by adopting a conservative risk management mechanism that mitigates the effects of the risks related to the activity.

Acknowledgement:

On behalf of the Board, I would like to thank the shareholders, our loyal customers, reinsurers and employees. Our sincere thanks and appreciation also extended to Capital Market Authority for their tremendous support in regulating and developing the local insurance sector and for their assistance, which has led to the smooth functioning of operations.

Finally, our sincere thanks and gratitude to His Majesty Sultan Haitham Bin Tariq. We all pray to Almighty Allah to shower His Majesty with blessings, keep him in good health and give him long life. Our sincere thanks and appreciation extended to His Majesty's rational government and we wish to the Omani people always Progress and prosperity.

Thank You and Kindest Regards
Salim Bin Nassir Al Busaidi

CHAIRMAN