



## **Company Report**

### **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 Three months' period ended on 31 March 2021.

### **Insurance operations and underwriting results:**

The gross premium income of all insurance branches amounted to OMR 12.08 million compared to OMR 10.03 million in the same corresponding period of the year 2020 registering a growth rate of 20.4%.

The gross underwriting profits of all insurance business (before administrative expenses) amounted to OMR 1.68 million compared to Underwriting profits of OMR 1.88 million in the corresponding period of last year registering a decrease rate of (10.3%).

### **Investment Results:**

The MSM30 Index closed at 3708.71 points against 3658.77 points on 12/31/2020, with marginal growth rate of 1.36%. Because of the negative impact of the outbreak of the Coronavirus (Covid 19) on the performance of some banks and some Joint public stock companies in which our company holds some shares, the said banks and companies decided not to distribute dividends for the year 2020, in addition to the investment strategy adopted by the company to reduce the exposure of the stock portfolio and investing in fixed income instruments to avoid the negative impact of the stock markets. Altogether have negatively affected the results of our stock portfolio. However, our investments in fixed-income instruments achieved good income of OMR 745K during the period. As a result of the foregoing, the company achieved a total investment income of OMR 978K, compared to OMR 1.16 million in the corresponding period last year, with a decrease rate of (15.7%). The net investment income after deducting unrealized investment losses amounted to OMR 742K compared to OMR 793K for the same period last year, with a decrease rate of (6.4%).

### **Net profit:**

The company's net profit after tax amounted to OMR 918 K against a net profit after tax of OMR. 1.14 million in the corresponding period of last year, registering a decrease rate of – (19.3%), accordingly the earnings per share amounted to 9 Bzs against 11 Bzs in the corresponding period of last year . It is worth noting that the net asset value per share amounted to 278 Bzs compared to 272 Bzs in the same period of last year with a growth rate of 2.2%, this is despite the continuous distribution of dividends to the shareholders, as the dividends during this year amounted to OMR 3.5 million.

### **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**

April / 2021


**UNAUDITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

	Notes	Unaudited		Audited
		31 March 2021 RO	31 March 2020 RO	31 December 2020 RO
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property and equipment		1,529,876	1,536,347	1,603,240
Investment property		2,126,081	2,197,673	2,142,352
Available-for-sale investments	7(c)	824,349	1,485,075	976,624
Deposits	7(d)	39,000,000	41,150,000	41,400,000
Reinsurance contracts	9	6,324,984	6,870,000	6,861,000
		<b>49,805,290</b>	<b>53,239,095</b>	<b>52,983,216</b>
<b>Current assets</b>				
Financial assets at fair value through profit or loss	7(b)	4,112,566	6,536,839	4,304,329
Insurance and other receivables		11,192,047	12,470,304	7,212,165
Deposits	7(d)	14,765,396	6,876,253	17,146,400
Reinsurance contracts	8&9	22,406,630	30,932,465	23,726,982
Bank balances and cash		5,485,254	2,476,852	1,936,502
		<b>57,961,893</b>	<b>59,292,713</b>	<b>54,326,378</b>
<b>Total assets</b>		<b>107,767,183</b>	<b>112,531,808</b>	<b>107,309,594</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital		10,000,000	10,000,000	10,000,000
Share premium		871,519	871,519	871,519
Retained earnings		3,316,723	2,782,513	5,899,195
Legal reserve		3,333,334	3,333,334	3,333,334
General reserve		100,000	100,000	100,000
Fair value reserve		189,645	134,371	255,240
Contingency reserve		10,000,000	10,000,000	10,000,000
<b>Total equity</b>		<b>27,811,221</b>	<b>27,221,737</b>	<b>30,459,288</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Insurance contracts	9	7,504,984	8,370,000	8,141,000
Employees' end of service benefits		895,516	894,882	846,912
Deferred tax liability		138,727	96,042	125,481
Lease liability		264,568	-	294,082
		<b>8,803,795</b>	<b>9,360,924</b>	<b>9,407,475</b>
<b>Current liabilities</b>				
Bank overdraft		-	-	2,405,907
Insurance contracts	8&9	48,358,219	56,421,544	48,522,345
Trade and other payables		21,546,302	19,270,847	15,470,715
Lease liability		62,793	-	68,206
Taxation		1,184,853	256,756	975,658
		<b>71,152,167</b>	<b>75,949,147</b>	<b>67,442,831</b>
<b>Total liabilities</b>		<b>79,955,962</b>	<b>85,310,071</b>	<b>76,850,306</b>
<b>Total equity and liabilities</b>		<b>107,767,183</b>	<b>112,531,808</b>	<b>107,309,594</b>
<b>Net assets per share</b>	12	<b>0.278</b>	<b>0.272</b>	<b>0.305</b>

The notes on pages 6 to 15 form an integral part of the unaudited condensed interim financial information.



**UNAUDITED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2021**

	<i>Notes</i>	<b>3 months ended 31 March 2021 RO</b>	<b>3 months ended 31 March 2020 RO</b>
<b>Income</b>			
Gross written premiums	3	<u>12,080,414</u>	<u>10,032,121</u>
Net underwriting result	3	1,683,049	1,875,486
Investment income – net	6	563,041	634,608
Other operating income	6A	179,310	158,414
<b>Total net income</b>		<u>2,425,400</u>	<u>2,668,508</u>
General and administration expenses		<u>(1,285,430)</u>	<u>(1,311,975)</u>
<b>Profit before taxation</b>		1,139,970	1,356,533
Taxation		<u>(222,442)</u>	<u>(218,888)</u>
<b>Profit for the year</b>		917,528	1,137,645
<b>Other comprehensive income</b>			
<i>Items that will be reclassified to statement of profit or loss:</i>			
Net change in fair value of available-for-sale investments		<u>(65,595)</u>	<u>(170,368)</u>
<b>Total comprehensive profit for the year</b>		<u>851,932</u>	<u>967,277</u>
<b>Earnings per share</b>	13	<u>0.009</u>	<u>0.011</u>

The notes on pages 6 to 15 form an integral part of the unaudited condensed interim financial information.