



**Unaudited interim condensed consolidated
and parent company financial statements**

31 March 2023

DIRECTORS' REPORT For the Three-Month Period Ended 31 March 2023

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the unaudited financial results of Ominvest Group for the three-month period ended 31 March 2023. We have continued to make significant progress towards our strategic goals in the new year, with a strong start that is reflected in a 37% increase in profits and a positive trajectory for the remainder of the year.

With a strong performance and liquidity position, we have exercised the option to redeem our RO 60.638 million perpetual subordinated bonds at their first call date on 6 June 2023. These bonds were issued in June 2018 at an annual interest rate of 7.75% and were listed on the Muscat Stock Exchange (MSX). This will not have any negative impact on our equity position as we have already issued new RO 60.158 million perpetual subordinated bonds during April 2023 at an annual interest rate of 5.25%.

Despite the challenging liquidity situation and swift increase in interest rates, we have maintained our solid financial cash flow position. Below I would like to present a brief note on the macroeconomics and financial performance of Ominvest and our major portfolio companies.

Macroeconomic Overview

The global economy growth rate is expected to slow down to 1.7 % in 2023 compared to the 3.0 % estimated 6 months ago. There is a rising risk of a mild global recession as a result of Central Banks increasing rates last year to combat high inflation. The global economy is expected to grow by 2.7 % in 2024 due to China's full reopening, a material easing of the European natural gas crisis and potential for global rate cuts.

Oil prices are projected to average USD 75 per barrel in 2023 and USD 85 per barrel in 2024, on a conservative basis. Global inflation is expected to drop to 6.6 % in 2023 and 4.3 % in 2024 due to the adoption of tight monetary policies.

Locally, the real GDP in 2023 is expected to show continued strong growth of 4.3%. Despite a backdrop of weaker global demand and expectations of a lower oil price, the Sultanate of Oman is expected to post the strongest growth in the GCC. This is mainly a result of the development of new natural gas fields. During the first quarter of 2023, the Government repaid RO 1.1 billion against public debt, reducing the total Government debt to RO 16.6 billion at the end of March 2023, as compared with RO 17.7 billion registered at the end of 2022. This is a welcome development by credit rating agencies and points to further upgrades down the road. Inflation is expected to drop from 2.9 % in 2022 to 1.8 % in 2023. Despite low inflation, CBO has tracked US Fed hikes. This bodes well for potentially easier liquidity conditions in the coming quarters.

Given the current macroeconomic backdrop, we will continue diversifying our revenue sources in a risk adjusted manner while diligently traversing the changing dynamics of the global business cycle.

Group Consolidated Performance

During the quarter ended 31 March 2023, Group revenues increased by 104.9% to RO 116m as compared to RO 56.6m for the corresponding period in 2022 and the net profit attributable to Ominvest's shareholders increased by 37.2% to RO 12.1m as compared to RO 8.8m for the corresponding period in 2022.

Parent Company Performance

During the quarter ended 31 March 2023, Parent Company revenues increased by 27.1% to RO 18.1m as compared to RO 14.3m for the corresponding period in 2022 and the net profit increased by 37.5% to RO 12.3m as compared to RO 8.9m. The liquidity position of the Parent Company continues to remain robust with a healthy leverage ratio of less than one.

Performance of Key Subsidiaries & Associates:

Jabreen International Development Company SAOC (Jabreen) reported a net profit of RO 13.8 million for the three-month period ended 31 March 2023 compared to RO 6.7 million for the corresponding period in 2022, an increase of 107%. On 31 March 2023, Jabreen's total assets stood at RO 410m compared to RO 392m on 31 December 2022. Jabreen's private equity investments, which are focused on diverse sectors and expanding into new growth markets in Asia, amounted to RO 97m as of 31 March 2023.

National Life & General Insurance Company SAOG (National Life) our subsidiary in the insurance sector, reported a consolidated loss attributable to equity holders of RO 2.6m during the quarter ended 31 March 2023 as compared to RO 2.1m for the corresponding period in 2022. The primary factors driving low performance stem from significant increase in bodily injury claims from motor business in the Sultanate of Oman and the medical portfolio in Dubai due to the seasonal flu. In both segments, price conditions remain competitive whilst the level of claims has increased alongside inflationary pressure in core markets. Gross Written Premium (GWP) grew strongly by 76% to RO 109.3 million in the quarter ended 31 March 2023 as compared to RO 62.1 million in the corresponding period of the previous year. This was driven by the integration of the RSA ME business, as well as the successful renewals of key partnerships and new key wins, with significant growth of our medical portfolio in the UAE. Net underwriting results (NUR) grew by 53% to RO 7.6 million for the quarter ended 31 March 2023 as compared to RO 5 million in the corresponding period in 2022. National Life has taken pricing actions during the end of 2022, which will improve the loss ratios for the year and certain expense actions are planned for second half of 2023 to improve profitability. Based on these measures, we expect National Life performance and financial results to improve by the end of the year.

Oman Arab Bank SAOG (OAB), our associate in the banking sector, reported a consolidated profit of RO 5.5m for the quarter ended 31 March 2023 compared to RO 3.5m over the corresponding period in 2022, an increase of 57%. Driven by a healthy growth in the loan and advances portfolio, interest income grew by 11%. Net loans and advances, including Islamic finance, increased strongly by 12% to RO 3.2bn at 31 March 2023 compared to RO 2.8bn at 31 March 2022. Customer deposits reached RO 3.1bn at 31 March 2023 compared to RO 2.8bn at 31 March 2022, an increase of 10%. Alizz Islamic Bank SAOC, a fully owned subsidiary of OAB consistently increased its profits and assets since the merger with OAB in 2020.

National Finance Company SAOG (NFC), our associate in the leasing sector, reported a profit of RO 2.2m for the quarter ended 31 March 2023 compared to RO 2.5m for the corresponding period in 2022; a decrease of 12%. NFC's income from financing activity increased by 3.3% for the quarter ended 31 March 2023 to RO 10.8m compared to RO 10.4m for the corresponding period in 2022. However, finance costs for the quarter ended 31 March 2023 increased by 20.5% to RO 5m compared to RO 4.2m for the corresponding period in 2022. During the period, NFC repaid its perpetual bonds worth RO 18.2 million on the first call date. NFC continues to adopt a prudent approach to credit approvals keeping in view the overall macroeconomic scenario and perceived increase in credit risk. Within this policy, NFC's approach

has been to target customers who satisfy its credit risk appetite. NFC continues to improve its technological capabilities to be aligned with the digital transformation happening across the world, in order to provide solutions that deliver best in class customer experience. NFC continues to remain a market leader amongst finance and leasing companies in the Sultanate of Oman in terms of asset size, branch network, revenues, and profit. NFC saw organic growth and good momentum across all business segments, and we expect NFC to further grow and consolidate its position in the medium term.

International General Insurance (IGI), during the period, the Group acquired 6% additional stake in International General Insurance (IGI) taking the total stake holding to 20.5%. Consequently, the group has reclassified the investment in IGI from investment at fair value through other comprehensive income to investment in associate. IGI is an international specialty insurance and reinsurance group, registered in Bermuda and listed on the Nasdaq Capital Markets under the symbol “IGIC”. IGI underwrites a diverse portfolio of specialty lines worldwide. IGI has a financial strength rating of “A-” (Strong) from S&P Global Ratings and “A” (Excellent) from AM Best. Both ratings have a Stable Outlook. In 2022, it reported a net profit of \$85.5 million, a combined ratio of 78.5% and gross premiums of \$581.8 million. On December 31, 2022, IGI had assets of USD 1.56 billion.

In regard to investments in Real Estate, the Group is also embarking on its most ambitious real estate project yet ‘La Vie’. It will be one of the largest developments undertaken in the Sultanate of Oman. The development is situated in the heart of Muscat’s emerging urban center, Madinat Al Irfan, one of the capital’s most sought-after locations.

Corporate Citizenship

To reflect our commitment and high standards of responsibility towards ESG integration, we have embedded ESG practices into our internal operating policies. We have also introduced a comprehensive Sustainability Policy to ensure we effectively integrate a philosophy of sustainability in our organization’s activities. The Policy defines our organizational sustainability strategy, facilitates effective implementation and monitoring of Ominvest’s ESG Framework, and outlines relevant roles and responsibilities for ESG-related activities.

We are pleased to announce that we have signed a Memorandum of Understanding (MoU) with the Human Development Centre for the Disabled (HDCD) to support the “Together for Them” project. This initiative aims to provides quality training and job opportunities to persons with disabilities in various industries in Sultanate of Oman. We are proud of this collaboration and creating meaningful impact on our community.

Acknowledgements

We are grateful to our inspirational leader His Majesty Sultan Haitham bin Tarik for his vision and initiatives as he continues to lead the country on the path of development, peace and enduring prosperity.

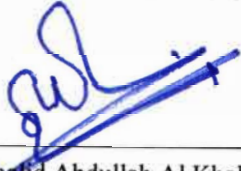
On behalf of the Board, I would like to thank the Capital Market Authority, Muscat Stock Exchange and Central Bank of Oman for their continued support and guidance. I would also like to thank our dedicated employees at Ominvest and across our Group companies for their commitment and hard work.



Khalid Muhammad AlZubair
Chairman

UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2023

	Notes	Consolidated		Parent Company	
		(Unaudited) 31-Mar-23 (RO'000)	(Audited) 31-Dec-22 (RO'000)	(Unaudited) 31-Mar-23 (RO'000)	(Audited) 31-Dec-22 (RO'000)
Assets					
Balances with banks and money at call	5	81,551	83,618	3,670	16,122
Deposits with banks	6	161,099	166,584	5,287	5,287
Premium and insurance balance receivable	7	133,390	98,225	-	-
Re-insurance share in insurance funds	15	61,457	61,040	-	-
Investment securities	8	534,062	568,562	5,191	5,421
Investment in associates	9	192,227	157,463	137,325	136,351
Investment in subsidiaries	10	-	-	384,931	414,421
Due from subsidiaries		-	-	141,022	92,992
Other assets		71,912	60,062	2,911	2,850
Investment properties		7,468	9,709	2,000	2,000
Property and equipment		27,785	27,573	767	805
Intangible assets		50,528	50,801	-	-
Total assets		1,321,479	1,283,637	683,104	676,249
Equity and liabilities					
Equity					
Share capital	11	66,837	66,837	66,837	66,837
Share premium		5,778	5,778	5,778	5,778
Legal reserve		22,279	22,279	22,279	22,279
Other non-distributable reserves	13	11,747	12,190	11,747	12,190
Cumulative changes in fair value reserve		5,514	68	7,892	2,519
Retained earnings		133,370	137,225	134,068	137,436
Equity attributable to equity holders of the Parent Company		245,525	244,377	248,601	247,039
Perpetual bonds / sukuks		111,631	111,631	112,638	112,638
		357,156	356,008	361,239	359,677
Non-controlling interests		84,918	82,449	-	-
Total equity		442,074	438,457	361,239	359,677
Liabilities					
Due to banks	14	489,009	493,133	280,397	285,496
Insurance funds	15	285,429	214,734	-	-
Other liabilities		97,336	130,363	40,431	30,039
Taxation		7,631	6,950	1,037	1,037
Total liabilities		879,405	845,180	321,865	316,572
Total equity and liabilities		1,321,479	1,283,637	683,104	676,249
Net assets per share (Rial Omani)	26	0.367	0.366	0.372	0.370


Khalid Muhammad AlZubair
Chairman


Sheikh Khalid Abdullah Al Khalili
Deputy Chairman


AbdulAziz M. Al Balushi
Group CEO

The accompanying notes 1-27 form an integral part of these unaudited interim condensed consolidated and parent company financial statements.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPERHENSIVE INCOME FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023

	Notes	Consolidated		Parent Company	
		(Unaudited) 31-Mar-23 (RO'000)	(Audited) 31-Mar-22 (RO'000)	(Unaudited) 31-Mar-23 (RO'000)	(Audited) 31-Mar-22 (RO'000)
Gross premium earned	16	86,968	39,811	-	-
Interest income	17	4,076	1,257	1,410	1,578
Investment income	19	17,682	4,735	167	426
Fee and commission income		2,690	2,253	107	-
Other operating income		1,519	1,315	-	925
Share of results from subsidiaries		-	-	14,028	9,401
Share of results from associates		3,130	7,277	2,472	1,976
Total revenue		116,065	56,648	18,184	14,306
Premium ceded to re-insurers	16	(18,532)	(6,001)	-	-
Net claims	15	(51,894)	(26,197)	-	-
Fee and commission expenses		(10,204)	(4,286)	-	-
Interest expense	18	(7,636)	(3,986)	(4,107)	(3,844)
Operating expenses	20	(17,012)	(6,587)	(1,812)	(1,539)
Total expenses		(105,278)	(47,057)	(5,919)	(5,383)
Profit before tax		10,787	9,591	12,265	8,923
Income tax expense		(282)	(363)	-	-
Profit for the period		10,505	9,228	12,265	8,923
Profit for the period attributable to:					
Equity holders of the Parent Company		12,100	8,819	12,265	8,923
Non-controlling interests		(1,595)	409	-	-
		10,505	9,228	12,265	8,923
Basic earnings per share attributable to the equity holders of the Parent Company (RO)	25	0.017	0.012	0.017	0.012
Other comprehensive income / (expense) :					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Movement in cash flow hedge		(457)	911	(457)	911
Foreign currency translation reserve		1	(3)	1	(3)
Changes in fair value of debt instruments at fair value through other comprehensive income		(707)	(131)	(663)	(123)
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Changes in fair value of equity instruments at fair value through other comprehensive income and share of OCI from equity accounted investee– net of tax		556	768	375	613
Other comprehensive income /(expense) for the period		(607)	1,545	(744)	1,398
Total comprehensive income for the period		9,898	10,773	11,521	10,321
Total comprehensive income for the period attributable to:					
Equity holders of the Parent Company		11,364	10,264	11,521	10,321
Non-controlling interests		(1,466)	509	-	-
		9,898	10,773	11,521	10,321

The accompanying notes 1-27 form an integral part of these unaudited interim condensed consolidated and parent company financial statements.

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023

Consolidated	<i>Share capital</i>	<i>Share premium</i>	<i>Legal reserve</i>	<i>Other non-distributable reserves</i>	<i>Cumulative changes in fair value</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Perpetual bonds/sukuks</i>	<i>Sub-total</i>	<i>Non-Controlling interests</i>	<i>Total</i>
	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>
At 1 January 2022	66,837	5,778	22,279	7,801	(14,090)	124,080	212,685	81,188	293,873	20,968	314,841
Profit for the period	-	-	-	-	-	8,819	8,819	-	8,819	409	9,228
Other comprehensive income for the period	-	-	-	908	537	-	1,445	-	1,445	100	1,545
Total comprehensive income for the period	-	-	-	908	537	8,819	10,264	-	10,264	509	10,773
Perpetual sukuks sold by Subsidiary	-	-	-	-	-	-	-	17,494	17,494	-	17,494
Perpetual sukuks interests paid	-	-	-	-	-	(851)	(851)	-	(851)	-	(851)
Dividend payable relating to 2021 (note 12)	-	-	-	-	-	(20,051)	(20,051)	-	(20,051)	-	(20,051)
Transfer to/ from retained earning	-	-	-	573	(193)	(380)	-	-	-	-	-
At 31 March 2022	66,837	5,778	22,279	9,282	(13,746)	111,617	202,047	98,682	300,729	21,477	322,206
At 1 January 2023	66,837	5,778	22,279	12,190	68	137,225	244,377	111,631	356,008	82,449	438,457
Profit for the period	-	-	-	-	-	12,100	12,100	-	12,100	(1,595)	10,505
Other comprehensive income for the period	-	-	-	(456)	(280)	-	(736)	-	(736)	129	(607)
Total comprehensive income for the period	-	-	-	(456)	(280)	12,100	11,364	-	11,364	(1,466)	9,898
Perpetual sukuks interests paid	-	-	-	-	-	(823)	(823)	-	(823)	-	(823)
Dividend payable relating to 2022 (note 12)	-	-	-	-	-	(10,025)	(10,025)	-	(10,025)	-	(10,025)
Transfer to/ from retained earning	-	-	-	13	6,732	(6,745)	-	-	-	-	-
Share of equity accounted investee companies	-	-	-	-	(1,006)	1,638	632	-	632	3,935	4,567
At 31 March 2023	66,837	5,778	22,279	11,747	5,514	133,370	245,525	111,631	357,156	84,918	442,074

The accompanying notes 1-27 form an integral part of these unaudited interim condensed consolidated and parent company financial statements.

UNAUDITED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023

Parent	<i>Share capital</i>	<i>Share premium</i>	<i>Legal reserve</i>	<i>Other non-distributable reserves</i>	<i>Cumulative changes in fair value</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Perpetual bonds/sukuks</i>	<i>Total</i>
	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>
At 1 January 2022	66,837	5,778	22,279	7,801	(11,684)	122,420	213,431	112,638	326,069
Profit for the period	-	-	-	-	-	8,923	8,923	-	8,923
Other comprehensive income for the period	-	-	-	908	490	-	1,398	-	1,398
Total comprehensive income for the period	-	-	-	908	490	8,923	10,321	-	10,321
Interest paid on perpetual bonds	-	-	-	-	-	(1,038)	(1,038)	-	(1,038)
Dividend paid relating to 2021 (note 12)	-	-	-	-	-	(20,051)	(20,051)	-	(20,051)
Transfer to / from retained earnings	-	-	-	573	(189)	(384)	-	-	-
At 31 March 2022	66,837	5,778	22,279	9,282	(11,383)	109,870	202,663	112,638	315,301
At 1 January 2023	66,837	5,778	22,279	12,190	2,519	137,436	247,039	112,638	359,677
Profit for the period	-	-	-	-	-	12,265	12,265	-	12,265
Other comprehensive income for the period	-	-	-	(456)	(288)	-	(744)	-	(744)
Total comprehensive income for the period	-	-	-	(456)	(288)	12,265	11,521	-	11,521
Interest paid on perpetual bonds	-	-	-	-	-	(1,009)	(1,009)	-	(1,009)
Dividend paid relating to 2022 (note 12)	-	-	-	-	-	(10,025)	(10,025)	-	(10,025)
Transfer to / from retained earnings	-	-	-	13	6,678	(6,691)	-	-	-
Share of equity accounted investee and others	-	-	-	-	(1,017)	2,092	1,075	-	1,075
At 31 March 2023	66,837	5,778	22,279	11,747	7,892	134,068	248,601	112,638	361,239

The accompanying notes 1-27 form an integral part of these unaudited interim condensed consolidated and parent company financial statements.

**UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY STATEMENTS
OF CASH FLOWS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

	Notes	Consolidated		Parent Company	
		(Unaudited) 31-Mar-23 (RO'000)	(Audited) 31-Mar-22 (RO'000)	(Unaudited) 31-Mar-23 (RO'000)	(Audited) 31-Mar-22 (RO'000)
Operating activities					
Profit before tax		10,787	9,591	12,265	8,923
<u>Adjustments for:</u>					
Depreciation on property and equipment	20	682	386	40	34
Amortization of intangible assets	20	369	190	62	93
Share of results from associates	9(i)	(3,130)	(7,277)	(2,472)	(1,976)
Share of results from subsidiaries		-	-	(14,028)	(9,401)
Gain on sale of investment property	19	(607)	-	-	-
Change in the fair value of financial assets at fair value through profit or loss	19	(975)	(417)	(18)	(236)
Profit on sale of investments	19	(1,462)	(73)	(34)	-
Income from amortised cost investments	19	(1,526)	(1,335)	-	-
Operating results before working capital changes		4,138	1,065	(4,185)	(2,563)
Changes in operating assets and liabilities					
Investment securities		8,941	(49,470)	33	200
Due from subsidiaries		-	-	(48,029)	5,357
Other assets		(12,628)	13,048	72	2,274
Premiums and insurance balances receivables		(35,165)	(28,254)	-	-
Re-insurance share in insurance funds		(417)	(4,911)	-	-
Insurance funds		70,695	34,882	-	-
Other liabilities		(38,941)	(12,068)	100	(12,025)
Cash used in operations		(3,377)	(45,708)	(52,009)	(6,757)
Tax paid		(8)	-	-	-
Net cash used in operating activities		(3,385)	(45,708)	(52,009)	(6,757)
Investing activities					
Acquisition of subsidiaries and associates		(2,700)	-	(498)	-
Dividend received from associates		1,768	4,900	1,498	-
Dividend received from subsidiaries		-	-	44,820	15,000
Capital expenditure on investment property		(2)	(1,013)	-	-
Proceeds from disposal of investment property		2,850	-	-	-
Additions to property and equipment		(894)	(516)	(2)	(2)
Loan to subsidiary		-	-	(153)	-
Net cash generated from investing activities		1,022	3,371	45,665	14,998
Financing activities					
Bank borrowings		(4,124)	26,196	(5,099)	(12,349)
Disposal of perpetual bond by a subsidiary		-	17,494	-	-
Deposits made		6,731	1,964	-	-
Dividends paid		(242)	-	-	-
Interest/profit on perpetual bonds/sukuks		(823)	(851)	(1,009)	(1,038)
Net cash generated from / (used) in financing activities		1,542	44,803	(6,108)	(13,387)
Net change in cash and cash equivalents		(821)	2,466	(12,452)	(5,146)
Cash and cash equivalents at the beginning of the period		90,022	46,636	16,122	23,846
Cash and cash equivalents at the end of the period		89,201	49,102	3,670	18,700

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023

1. GENERAL INFORMATION

Oman International Development and Investment Company SAOG (‘the Company’ or ‘the Parent Company’ or “ominvest”) is incorporated in the Sultanate of Oman as a public joint stock. The Parent Company was incorporated on 11 September 1983. The Parent Company’s shares are listed on the Muscat Securities Market. The principal activities of the Parent Company is primarily engaging in investment related activities.

The Parent Company and its subsidiaries (together referred as Group) has investments in associates and subsidiaries as disclosed in notes 9 and 10 respectively.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES.

The unaudited interim condensed financial statements for the three-month period ended 31 March 2023 comprise the Parent company and its subsidiaries (together referred to as the Group) and the Group’s interest in associates. The separate financial statements represent the financial statements of the Parent company on stand-alone basis. These statements have been prepared in accordance with IAS 34, ‘Interim financial reporting’ and in compliance with the applicable provisions of the Rules and Guidelines on Disclosure by Issuers of Securities and Insider Trading (‘R&G’) issued by the Capital Market Authority (‘CMA’) of the Sultanate of Oman and with the Commercial Companies Law of 2019, as amended.

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the audited annual financial statements for the year ended 31 December 2022 unless indicated below. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022, which have been prepared in accordance with International Financial Reporting Standards. Previous period numbers are reclassified / regrouped, if necessary, for comparative purpose. The related adjustments are not material.

The unaudited interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the period ended 31 March 2023 are not necessarily indicative of the results that may be expected for the financial year 2023.

3. ESTIMATES

The preparation of unaudited interim condensed financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these unaudited interim condensed financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimating uncertainty were the same as those that were applied to the financial statements for the year ended 31 December 2022.

4. IFRS STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE IN 2023

For the period ended 31 March 2023, the Group has adopted all the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant and mandatory to its operations and effective for periods beginning on 1 January 2023.

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in statements of cash flows comprise the following:

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
Balances with banks and money at call	81,551	83,618	3,670	16,122
Deposits with banks (note 6)	161,099	166,584	5,287	5,287
Deposits with banks with maturity above 3 months	(153,449)	(160,180)	(5,287)	(5,287)
	89,201	90,022	3,670	16,122

6. DEPOSITS WITH BANKS

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
Deposits with banks and leasing companies				
Less than 3 months maturity	7,650	6,404	-	-
More than 3 months maturity	153,449	160,180	5,287	5,287
	161,099	166,584	5,287	5,287

7. PREMIUM AND INSURANCE BALANCES RECEIVABLE

	<i>Consolidated</i> <i>31-Mar-23 (Unaudited)</i>			<i>Consolidated</i> <i>31-Dec-22 (Audited)</i>		
	<i>Life & Medical</i> <i>(RO'000)</i>	<i>General</i> <i>(RO'000)</i>	<i>Total</i> <i>(RO'000)</i>	<i>Life & Medical</i> <i>(RO'000)</i>	<i>General</i> <i>(RO'000)</i>	<i>Total</i> <i>(RO'000)</i>
Premiums receivable	88,468	45,966	134,434	54,026	41,902	95,928
Reinsurance balances receivable	1,393	6,945	8,338	4,839	6,743	11,582
	89,861	52,911	142,772	58,865	48,645	107,510
Allowance for impaired debts	(2,198)	(7,184)	(9,382)	(2,109)	(7,176)	(9,285)
	87,663	45,727	133,390	56,756	41,469	98,225

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY
FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

8. INVESTMENT SECURITIES

As at the reporting date, investment securities comprised the following:

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
Financial assets at fair value through profit or loss (note 8(i))	76,485	97,514	2,203	2,185
Financial assets at fair value through other comprehensive income (note 8(ii))	307,911	336,120	2,988	3,236
Investments at amortised cost (note 8(iii))	149,666	134,928	-	-
	534,062	568,562	5,191	5,421

(i) *Financial assets at fair value through profit or loss (FVTPL)*

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
Financial sector	29,601	34,785	469	468
Industrial sector	473	465	428	419
Local quoted investments	30,074	35,250	897	887
Foreign quoted investments	859	12,524	68	68
Quoted investments	30,933	47,774	965	955
Unquoted local investments	2,185	8,316	1,031	1,019
Unquoted foreign investments	43,367	41,424	207	211
Total financial assets at fair value through profit or loss	76,485	97,514	2,203	2,185

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY
FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

8. INVESTMENT SECURITIES (continued)

(ii) Financial assets at fair value through other comprehensive income

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
Local investments				
Quoted investments (cost)	270,759	273,752	2,300	2,300
Fair value reserve	7,920	18,705	(1,068)	(820)
Unquoted investments (cost)	932	932	861	861
Fair value reserve	4,925	852	852	852
Total local investments	284,536	294,241	2,945	3,193
Foreign investments				
Quoted investments (cost)	21,842	48,198	-	-
Fair value reserve	950	(6,443)	-	-
Unquoted investments (cost)	1,386	927	205	205
Fair value reserve	(803)	(803)	(162)	(162)
Total foreign investments	23,375	41,879	43	43
Total financial assets at fair value through other comprehensive income	307,911	336,120	2,988	3,236

(iii) Investment at amortised cost

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
Investment in an education entity	19,139	19,852	-	-
Banks and corporate bonds	130,527	115,076	-	-
Total Investments at amortised cost	149,666	134,928	-	-

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY
FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

9. INVESTMENT IN ASSOCIATES

As at the reporting date, investments in associates represented holdings in the following companies:

<i>Consolidated</i>	<i>Country of incorporation</i>	<i>31-Mar-23 (Unaudited) Holding %</i>	<i>31-Dec-22 (Audited) Holding %</i>
Quoted			
Oman Arab Bank SAOG	Sultanate of Oman	31.64	31.64
National Finance Company SAOG	Sultanate of Oman	34.60	34.60
Takaful Oman Insurance SAOG	Sultanate of Oman	56.12	56.12
International General Insurance Company Ltd (note 9(ii))	Bermuda, NASDAQ listed	20.50	-
Unquoted			
National Finance House B.S.C.	Kingdom of Bahrain	17.47	17.47
Modern Steel Mill LLC	Sultanate of Oman	19.49	19.49
Horizon (AD) Investment Ltd	Cayman Islands	14.85	14.85
EastBridge Partners Pte Ltd	Singapore	43.00	43.00
Thawani Technologies LLC	Sultanate of Oman	30.00	-
Parent Company			
	<i>Country of incorporation</i>	<i>31-Mar-23 (Unaudited) Holding %</i>	<i>31-Dec-21 (Audited) Holding %</i>
Quoted			
Oman Arab Bank SAOG	Sultanate of Oman	34.60	34.60
National Finance Company SAOG	Sultanate of Oman	31.64	31.64

(i) Details regarding movement in investment in associates is set out below:

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>31-Mar-23</i>	<i>31-Dec-22</i>	<i>31-Mar-23</i>	<i>31-Dec-22</i>
	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>
At beginning of the year	157,463	341,363	136,351	147,138
Purchases / transfer from FVTOCI	33,186	-	-	-
Share of results of associates	3,130	21,161	2,472	8,631
Dividends received	(1,768)	(13,687)	(1,498)	(1,498)
Gain on disposal of an associate	-	444	-	(820)
Disposal of associates	-	(12,784)	-	(1,460)
Impairment (provision) / reversal	-	(9,911)	-	(9,911)
Gain on transfer to FVTOCI	-	62,825	-	-
Transfer to FVTOCI	-	(224,998)	-	-
Other equity movement (net)	216	(6,950)	-	(5,729)
At the end of the period	192,227	157,463	137,325	136,351

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023

9. INVESTMENT IN ASSOCIATES (continued)

- (ii) During the period, the group acquired 6% additional stake in International General Insurance (IGI) taking the total stake holding to 20.5%. Consequent to this, the group has reclassified the investment in IGI from investment at fair value through other comprehensive income to investment in associate.

10. INVESTMENT IN SUBSIDIARIES

As at the reporting date, investments held by the Group in subsidiaries are:

	<i>Country of Incorporation</i>	<i>31-Mar-23 (Unaudited) Holding %</i>	<i>31-Dec-22 (Audited) Holding %</i>
Jabreen International Development Company	Oman	100.00	100.00
SAOC (Jabreen) (<i>Principal activity: Investments</i>)			
Takaful Oman Insurance Company [note 10(i)]	Oman	56.12	56.12
(<i>Principal activity: Insurance</i>)			
Ubhar Capital SAOC [note 10(i)]	Oman	66.00	66.00
(<i>Principal activity: Brokerage and Investment banking</i>)			
Gulf Acrylic Industries LLC [note 10(i)]	Oman	51.70	51.70
(<i>Principal activity: Manufacturing</i>)			
Shamel Plastic Industries LLC [note 10(i)]	Oman	51.65	51.65
(<i>Principal activity: Manufacturing</i>)			
Jabreen Capital Asia Pte. Ltd [note 10(i)]	Singapore	100.00	100.00
(<i>Principal activity: Investment activities</i>)			
National Life and General Insurance Company SAOG	Oman	52.06	52.06
(<i>Principal activity: Insurance</i>)			
Royal & Sun Alliance Insurance (Middle East) [note 10 (ii)]	Bahrain	100.00	100.00
(<i>Principal activity: Insurance</i>)			
NLGIC Support Services Private Limited [note 10 (ii)]	India	100.00	100.00
(<i>Principal activity: Support services</i>)			
Inayah TPA LLC [note 11 (ii)]	UAE	100.00	100.00
(<i>Principal activity: Support services</i>)			
Al Ahlia Insurance Company SAOG [note 10 (ii)]	Oman	100.00	100.00
(<i>Principal activity: Insurance</i>)			
Al Alamiya for Cooperative Insurance Company [note 10 (ii)]	KSA	50.07	50.07
(<i>Principal activity: Insurance</i>)			
OMINVEST International Holdings Limited (OIHL)	UAE	100.00	100.00
(<i>Principal activity: Investments</i>)			
Jabreen International Investment Company SAOC [note 10 (iii)]	Oman	100.00	-
(<i>Principal activity: Investments</i>)			
National Security Services Group LLC	Oman	60.00	60.00
(<i>Principal activity: Cybersecurity</i>)			
Oman Real Estate Investment and Services LLC	Oman	100.00	100.00
(<i>Principal activity: Real Estate and Investments</i>)			
Muscat Resorts LLC	Oman	99.99	99.99
(<i>Principal activity: Integrated Tourism Project</i>)			
Al Jabal Al Aswad Investment LLC	Oman	99.98	99.98
(<i>Principal activity: Real Estate</i>)			

- (i) These subsidiaries are held through Jabreen International Development Company SAOC.
- (ii) These subsidiaries are held through National Life and General Insurance Company SAOG.
- (iii) During the period, the company has incorporated a fully owned subsidiary with the initial capital of RO 0.5 million. The subsidiary will manage the private equity portfolio of the group.

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY
FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

10. INVESTMENT IN SUBSIDIARIES (continued)

(iv) Details regarding movement in investment in subsidiaries is set out below:

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
At beginning of the year	-	-	414,421	338,144
Purchases	-	-	498	2,631
Loan to subsidiary	-	-	153	-
Share of results of subsidiaries	-	-	14,028	71,649
Dividends received	-	-	(44,820)	(14,940)
Other movements	-	-	651	16,937
At the end of the period	-	-	384,931	414,421

11. SHARE CAPITAL

	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
Authorized 2,000,000,000 ordinary shares of RO 0.100 each (31 December 2022 – 2,000,000,000 ordinary shares of RO 0.100 each)	200,000	200,000
Issued and fully paid 668,365,426 ordinary shares of RO 0.100 each (31 December 2022 – 668,365,426 shares of RO 0.100 each)	66,837	66,837

12. DIVIDEND PAID

Parent Company

At the Annual General Meeting of the shareholders of the Parent Company held on 30 March 2023, a cash dividend of RO 0.015 per share (2022 - RO 0.030 per share) amounting to RO 10,025,481 (2022 - RO 20,050,963) was approved and distributed to the shareholders.

Additionally, at the Extraordinary General Meeting held on 30 March 2023, it was decided to issue one perpetual bond of RO 1 for every 11.11 ordinary shares of 100bz held by the shareholders. Total perpetual bonds to be issued by the parent company amounted to RO 60,158,904. These bonds will be listed on the Muscat Stock exchange and will carry an annual coupon of 5.25% and would form part of the parent company's equity. These perpetual bonds do not have a fixed maturity date; however, they may be callable at par at the option of the parent company after 5 years from the date of issuance. These bonds were issued on 18 April 2023 and will be reflected in the financial statements for the six-month period ended 30 June 2023.

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023

13. OTHER NON-DISTRIBUTABLE RESERVES

Consolidated & Parent Company	<i>Contingency reserve</i>	<i>Foreign currency revaluation Reserve</i>	<i>Hedging reserve</i>	<i>Revaluation reserve</i>	<i>Total</i>
At 1 January 2022	7,506	(32)	162	165	7,801
Net changes in fair values		(3)	911	-	908
Other comprehensive (expense) / income	-	(3)	911	-	908
Transfer to / from retained earnings	573	-	-	-	573
At 31 March 2022	<u>8,079</u>	<u>(35)</u>	<u>1,073</u>	<u>165</u>	<u>9,282</u>
At 1 January 2023	9,074	(45)	2,996	165	12,190
Net changes in fair values	-	1	(457)	-	(456)
Other comprehensive (expense) / income	-	1	(457)	-	(456)
Transfer to / from retained earnings	13	-	-	-	13
At 31 March 2023	<u>9,087</u>	<u>(44)</u>	<u>2,539</u>	<u>165</u>	<u>11,747</u>

14. DUE TO BANKS

As at the reporting date, due to banks are as follows:

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
Terms loans	491,592	495,902	281,934	287,148
Less: Unamortized bank processing fees	(2,583)	(2,769)	(1,537)	(1,652)
At the end of the period	<u>489,009</u>	493,133	<u>280,397</u>	285,496

The maturity profile of terms loans is as follows:

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>	<i>(Unaudited)</i> <i>31-Mar-23</i> <i>(RO'000)</i>	<i>(Audited)</i> <i>31-Dec-22</i> <i>(RO'000)</i>
Due within one year	85,279	90,066	56,941	79,741
Due in more than one year	406,313	405,836	224,993	207,407
	<u>491,592</u>	495,902	<u>281,934</u>	287,148

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY
FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

15. INSURANCE FUNDS

	<i>Consolidated</i>					
	<i>31-Mar-23 (Unaudited)</i>			<i>31-Dec-22 (Audited)</i>		
	<i>Gross</i>	<i>Reinsurers share</i>	<i>Net</i>	<i>Gross</i>	<i>Reinsurers share</i>	<i>Net</i>
	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>
Actuarial / mathematical and unexpired risk reserve – life & medical assurance	137,967	(17,496)	120,471	56,767	(12,420)	44,347
Unexpired risk reserve – general insurance	33,783	(6,945)	26,838	52,652	(7,240)	45,412
Closing claims outstanding (including IBNR)	113,679	(37,016)	76,663	105,315	(41,380)	63,935
	285,429	(61,457)	223,972	214,734	(61,040)	153,694

The amounts of claims provided during the period are as follows:

	<i>31-Mar-23 (Unaudited)</i>			<i>31-Mar-22 (Unaudited)</i>		
	<i>Gross outstanding claims</i>	<i>Reinsurers share of outstanding claims</i>	<i>Net outstanding claims</i>	<i>Gross outstanding claims</i>	<i>Reinsurers share of outstanding claims</i>	<i>Net outstanding claims</i>
	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>
At 1 January (including IBNR)	105,315	(41,380)	63,935	28,718	(6,285)	22,433
Claims provided during the period	61,300	(9,406)	51,894	32,466	(6,269)	26,197
Claims paid during the year	(52,936)	13,770	(39,166)	(19,870)	3,915	(15,955)
Closing claims outstanding (including IBNR)	113,679	(37,016)	76,663	41,314	(8,639)	32,675

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023

16. GROSS PREMIUMS AND PREMIUMS CEDED TO REINSURERS

<i>Consolidated</i>	<i>31-Mar-23 (Unaudited)</i>			<i>31-Mar-22 (Unaudited)</i>		
	<i>Life & Medical RO '000</i>	<i>General RO '000</i>	<i>Total RO '000</i>	<i>Life & Medical RO '000</i>	<i>General RO '000</i>	<i>Total RO '000</i>
Gross written premiums	73,412	45,692	119,104	56,890	5,208	62,098
Movement in unearned premiums	(25,591)	(6,545)	(32,136)	(21,831)	(456)	(22,287)
Gross premium, earned	47,821	39,147	86,968	35,059	4,752	39,811
Reinsurance premiums ceded	(17,773)	(1,899)	(19,672)	(8,194)	(364)	(8,558)
Movement in unearned premiums	5,104	(3,964)	1,140	2,550	7	2,557
Premium ceded to reinsurers	(12,669)	(5,863)	(18,532)	(5,644)	(357)	(6,001)
Net insurance premium revenue	35,152	33,284	68,436	29,415	4,395	33,810

17. INTEREST INCOME

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited) 31-Mar-23 (RO'000)</i>	<i>(Audited) 31-Mar-22 (RO'000)</i>	<i>(Unaudited) 31-Mar-23 (RO'000)</i>	<i>(Audited) 31-Mar-22 (RO'000)</i>
Placements with banks and other money market placements	1,785	694	230	166
Other interest income	2,291	563	1,180	1,412
	4,076	1,257	1,410	1,578

18. INTEREST EXPENSE

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited) 3 months ended 31-Mar-23 (RO'000)</i>	<i>(Audited) 3 months ended 31-Mar-22 (RO'000)</i>	<i>(Unaudited) 3 months ended 31-Mar-23 (RO'000)</i>	<i>(Audited) 3 months ended 31-Mar-22 (RO'000)</i>
Bank borrowings	7,636	3,986	4,107	3,844
	7,636	3,986	4,107	3,844

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY
FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

19. INVESTMENT INCOME

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>3 months ended</i>	<i>3 months ended</i>	<i>3 months ended</i>	<i>3 months ended</i>
	<i>31-Mar-23</i>	<i>31-Mar-22</i>	<i>31-Mar-23</i>	<i>31-Mar-22</i>
	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>
Dividend from investments	12,954	2,714	81	154
<u>Quoted local investments</u>				
Profit on sale	454	40	34	
Change in fair value	-	(114)	8	198
<u>Unquoted local investments</u>				
Change in fair value	(43)	72	10	-
<u>Quoted foreign investments</u>				
Profit on sale	1,008	33	-	-
Change in fair value	1,018	459	-	38
<u>Investment properties</u>				
- Net gain on investment properties	607	-	-	-
- Rental income	158	196	34	36
Amortized cost investment income	1,526	1,335	-	-
	17,682	4,735	167	426

20. OPERATING EXPENSES

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>3 months ended</i>	<i>3 months ended</i>	<i>3 months ended</i>	<i>3 months ended</i>
	<i>31-Mar-23</i>	<i>31-Mar-22</i>	<i>31-Mar-23</i>	<i>31-Mar-22</i>
	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>	<i>(RO'000)</i>
Staff costs	7,364	4,110	1,496	1,162
Other operating expenses	8,453	1,752	164	200
Amortization of intangible assets	369	190	62	93
Depreciation	682	386	40	34
<u>Directors' sitting fees and remuneration:</u>				
Parent Company	50	50	50	50
Subsidiaries and adjustments	94	99	-	-
	17,012	6,587	1,812	1,539

21. SEGMENTAL INFORMATION

The Group is organized into four main business segments:

- 1) Investment Segment – incorporating investment activities for both short-term and long-term purposes.
- 2) Banking Segment – incorporating corporate, retail and treasury and investment banking activities carried out by the Group’s investment in banking sector.
- 3) Insurance Segment – incorporating insurance related activities for Life and General Insurance.
- 4) Real Estate Segment – incorporating activities in real estate sector.

Transactions between the business segments are on normal commercial terms and conditions and are entered between the subsidiaries and the rest of the Group. Such transactions are eliminated on consolidation.

	<i>Investments</i>	<i>Banking</i>	<i>Insurance</i>	<i>Real estate</i>	<i>Adjustments</i>	<i>Total</i>
	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>	<i>RO '000</i>
<i>31 March 2023</i>						
Segment revenues	28,973	17,011	83,844	876	(14,639)	116,065
Segment results	9,628	17,011	(2,555)	600	(14,179)	10,505
Segment assets	798,748	328,640	552,035	33,815	(391,759)	1,321,479
<i>31 March 2022</i>						
Segment revenues	17,958	7,197	43,426	346	(12,279)	56,648
Segment results	9,444	7,197	2,907	167	(10,487)	9,228
<i>31 December 2022</i>						
Segment assets	849,705	316,826	504,131	35,512	(422,537)	1,283,637

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY
FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

22. RELATED PARTY TRANSACTIONS

Related party transactions are as follows:

<i>Consolidated</i>	<i>Directors</i>	<i>Associates</i>	<i>Other related parties</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
<u>Statement of comprehensive income</u>			
<i>31-March-2023</i>			
Interest and commission income	-	278	103
Interest expense	-	261	-
Directors' sitting fees and remuneration	144	-	-
Premiums received	-	883	1,024
Claims paid	-	300	278
Operating expenses/capex	-	52	371
<i>31-March-2022</i>			
Interest and commission income	-	340	12
Interest expense	-	1,071	-
Directors' sitting fees and remuneration	149	-	-
Premiums received	-	714	273
Claims paid	-	459	156
Operating expenses/capex	-	113	126
<u>Statement of financial positions</u>			
<i>31-March-2023</i>			
Borrowing arrangements	-	20,000	-
Current and other deposit accounts	-	23,941	8,316
Insurance and other receivables	-	1,124	1,151
Payables	-	1,041	570
Investments	-	-	2,700
<i>31-December-2022</i>			
Borrowing arrangements	-	20,000	-
Current and other deposits accounts	-	36,899	963
Premiums and other receivables	-	212	287
Payables	-	1,582	426

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY
FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

22. RELATED PARTY TRANSACTIONS (continued)

<i>Parent Company</i>	<i>31-Mar-23 (Unaudited)</i>			<i>31-Mar-22 (Unaudited)</i>		
	<i>Subsidiaries</i>	<i>Associates</i>	<i>Directors/ Others</i>	<i>Subsidiaries</i>	<i>Associates</i>	<i>Directors/ Others</i>
	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>	<i>RO'000</i>
<u>Statement of comprehensive income</u>						
Directors' sitting fees and remuneration	-	-	50	-	-	50
Operating expenses	36	-	107	28	-	8
Interest and other income	1,181	75	-	1,412	71	-
Interest expenses	529	261	-	-	264	807
Premiums	1	-	-	100	-	-
Claims	21	-	-	18	-	-
<u>Other transactions</u>						
Dividend from subsidiaries	44,820	-	-	15,000	-	-
Dividend from associates	-	1,498	-	-	1,498	-
<u>Statement of financial positions</u>						
	<i>31-Mar-23 (Unaudited)</i>			<i>31-Dec-22 (Audited)</i>		
Bank borrowings	-	20,000	-	-	20,000	-
Bank balances	-	11,503	-	-	20,832	-
Due from subsidiaries (Net)	96,773	-	-	92,992	-	-
Due to subsidiaries	23,626	-	-	21,160	-	-
Investments	-	-	-	-	-	2,455

23. CONTINGENT LIABILITIES & COMMITMENTS

Contingencies

At 31 March 2023, there were contingent liabilities in respect of guarantees issued by commercial banks on behalf of the Group amounting to RO 468,407 (31 December 2022 - RO 389,195) given in the normal course of business from which it is anticipated that no material liabilities will arise.

Legal claims

The insurance subsidiary of the Group, consistent with the majority of insurers, is subject to litigation in the normal course of its business. The Group, based on independent legal advice, does not believe that the outcome of the court cases will have a material impact on its separate and consolidated income or financial position.

24. RISK FACTORS

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk, liquidity risk and insurance risks. The unaudited interim condensed financial statements do not include all financial and insurance risk management information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements as at 31 December 2022. There have been no changes in the risk management policies since year end.

**NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED AND PARENT COMPANY
FINANCIAL STATEMENTS FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2023**

25. BASIC EARNINGS 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.

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> 31-Mar-23 <i>(RO'000)</i>	<i>(Audited)</i> 31-Mar-22 <i>(RO'000)</i>	<i>(Unaudited)</i> 31-Mar-23 <i>(RO'000)</i>	<i>(Audited)</i> 31-Mar-22 <i>(RO'000)</i>
Profit for the period attributable to equity holders	12,100	8,819	12,265	8,923
Less: Perpetual interest/profit on bonds/sukuks	(823)	(851)	(1,009)	(1,038)
Profit for the period attributable to equity holders of the Group/Parent Company after interest on perpetual bonds/sukuks	11,277	7,968	11,256	7,885
Weighted average number of shares outstanding during the period	668,365,426	668,365,426	668,365,426	668,365,426
Basic earnings per share (RO)	0.017	0.012	0.017	0.012

As there were no dilutive potential shares, the diluted earnings per share is identical to the basic earnings per share.

26. NET ASSETS PER SHARE

The calculation of net assets per share is as follows:

	<i>Consolidated</i>		<i>Parent Company</i>	
	<i>(Unaudited)</i> 31-Mar-23 <i>(RO'000)</i>	<i>(Audited)</i> 31-Dec-22 <i>(RO'000)</i>	<i>(Unaudited)</i> 31-Mar-23 <i>(RO'000)</i>	<i>(Audited)</i> 31-Dec-22 <i>(RO'000)</i>
Equity attributable to shareholders of the parent (RO'000)	245,525	244,377	248,601	247,039
Number of shares outstanding at the end of the period	668,365,426	668,365,426	668,365,426	668,365,426
Net assets per share (RO)	0.367	0.366	0.372	0.370

27. APPROVAL OF FINANCIAL STATEMENTS

These unaudited condensed interim financial statements were approved and authorized for release by the Board of Directors on 15 May 2023.